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The Nation's Business

No Giants in Cabinet
Our Cabinet System Wrong
Mud Starts to Fly
Stevens Stands Out
The Change in Meighen
What the West Wants
Prohibition Felled King?

CANADA'S new cabinet is not thoroughly satisfying to business men across the country. The lack of outstanding new recruits to national affairs is disappointing, especially as early reports had suggested such men as J. H. Fortier, Hume Cronyn, Hon. John S. Martin, and Sir Joseph Flavelle as having been invited in the cabinet.

Nevertheless, business men will recognize that Mr. Meighen has done the best he could under the British system of cabinet construction; and while he has not yet been successful in his very apparent efforts to bring in the best men in different fields, and has had to recognize party services as well as personal ability, he has presented a board of directors that is at least up to average. It is no cabinet of giants but, in the main, it is a cabinet of sincere, honest men and, on the whole, will command the respect of the country.

* * *

THE slow, laborious, tricky task of cabinet-building, as exemplified by the problems of Mr. Meighen in the past two weeks, is one of the unfortunate features of Canadian political life. Each time a new cabinet is formed in Canada, the weaknesses of the British cabinet system as opposed to the United States cabinet system, are exemplified.

In Canada, the prime minister, who sets out to give the country a business administration composed of cabinet ministers chosen from leaders in their respective fields, is beset with virtually insurmountable problems. He must choose men who can get reelected in their constituencies. He must choose his men so that each province is represented by a proportionate number. Each race, each creed, each religion must get its just due. The premier has only a small group to choose from, a group too small to assure the proper diversification of material and yet too large, when personal ambitions and party services are to be considered.

In the United States, the president has the opportunity of choosing his men, if he wishes, regardless of their ability to get re-elected, regardless of local, class or religious considerations. He does not have to consider whether the man's ancestors came from Ireland, Scotland, or France, or whether his wife is a United Methodist or goes to the Catholic church or the Jewish synagogue.

If Coolidge had been hampered by the Canadian system he would never have had a great secretary of state like Hughes, or a Hoover or Mellon in his cabinet. Hughes and one of his predecessors in office, Elihu Root, are regarded as the two brainiest men in America. If King had not been hampered by the Canadian system, he would never have had Bureau, Cardin or Murdock in his cabinet.

The ministers of the government should be chosen for constructive administrative ability rather than for their political services or their affiliations. They need not even sit in the house. But they should advise the premier and administer their departments soundly, ably and with business acumen and appear before committees of the House and Senate, the chairmen of these committees representing them at other times.

It may be asked, too, if our present cabinet system, with its interracial, inter-provincial and inter-religious jealousies, is not helping to destroy national good feeling.

* * *

IT IS evidently going to be a dirty campaign. The mud-slinging and the class feuds have begun already and early indications are that the present election campaign will be one of the bitterest and fiercest of all time. Already some of the remarks that have passed on the public platform at this early stage are not such as The Financial Post would care to reprint and only the utmost degree of firm direction on the part of party leaders will be able to prevent such remarks from becoming the texts of continuous diatribe and slander from now until September.

For a full year now, political tension has been taut to the degree of genuine nervous strain in Canada. Events of the session over-taxed the atmosphere. The succession of divisions, each won on a small majority, the charges and counter charges resulting from the customs investigation, the final struggle jockeying for position, the Byng episode, have created a background for the kind of deplorable political campaign that obscures real issues and plays up personalities.

That the big men in either party will turn their meetings into Donnybrooks is unthinkable, but whether or not they can restrain their followers is distinctly in question.

They have unquestionably an op-

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Massey-Harris Expected to Earn $13 Per Share on Common This Year

Sales Are Showing Big and Sustained Increase

STRONG CASH POSITION

Return to Former Position of Financial Eminence Reflected in New Buying by Solid Investors

Investment interest in Massey-Harris stocks revived this week and the common shares came back to the high level reached at the end of January.

Present buying of Massey-Harris is understood to be coming from a solid type of investors who are looking to the future, recognizing Massey-Harris common as one of the most promising of semi-speculative investments and one that is now entering a new era in its history; an era of expansion in sales, assets and earning power.

Present year's business of Massey-Harris is running well ahead of 1925 and when the fiscal year is closed on November 30 it is practically certain that sales will have shown an increase of at least 50 per cent. and probably considerably more. As collections are better than for many years, profits are likely to show a good advance. Present unofficial estimates are that Massey-Harris will show net earnings of $2,500,000, which would be equivalent to about $13.50 on the common stock after allowing for the 7 per cent. on the preferred issue. No dividends have been paid as yet on the common stock, which was issued in 1925, but by the end of the present fiscal year it is estimated that about $18 per share will have been accumulated, available for the initiation of a conservative dividend policy, which could be maintained, and which would allow for increases from time to time without weakening the company's cash position not overlooking possible depressions.

Foreign Business a Protection

Massey-Harris is one of the oldest and best known Canadian industrial organizations but it has only been in the investment eye for about three years, and was listed only this year.

It has plants in Toronto, Brantford and Woodstock in Canada and at Batavia in New York. While these are the main plants, there are factories, warehouses and offices in most of the principal agricultural countries of the world, including Great Britain, Australia, New Zealand, South Africa, Argentine, France and Germany. Business of the company consists in the manufacture of every type of agricultural machinery and is divided about 50 per cent. in the Canadian market and 50 per cent. in foreign markets. This wide diversification of markets is a factor of strength for the company in two ways. First, it gives assurance that the company will benefit as modernized farming extends to the many countries where mechanical aid is only now being harnessed to agricultural ends. Secondly, it gives the company such a diversification of sales as to protect it against serious depression in any one area.

Good Management a Tradition

The company is to-day, as always in its history, honored with excellent and sound management. It went through trying times in the three years 1921, 1922 and 1923, when agriculture the world over was suffering from serious depressions, but it has been steadily climbing in assets and earning power since that time. The year 1924 saw the first steps toward recovery; 1925 carried the movement further and 1926 is seeing the company back in its old premier position.

Massey-Harris' immense assets of over $36,000,000 are almost entirely the result of reinvestment of earnings since the early days. There is no funded debt and the securities consist of only two issues. Outstanding are $12,000,000 of 7 per cent. preferred stock and an equal amount of common shares, each issue having a par value of $100.

Analysis of the company's balance sheet shows the real strength of the organization. Assets stood at $36,725,018 at November 30, 1925. All of this represented solid tangible assets of revenue-producing character. There was no water of any kind. Patents were taken in at $1 and nothing was shown for good will.

Real estate, plant and equipment stood at $8,207,947 on the company's books, although it is understood that an appraisal at present values would show these to have a value of around $20,000,000. That this statement is conservative is proven by the fact that an appraisal in 1921 showed certain of the assets—the Canadian factories and their machinery—to have a value of $13,873 993, which was just $9,679,828 more than the figure at which these assets were carried in the books of the company. These Canadian factories alone are now carried at only a little over $5,000,000 although insured at $13,000,000.

The largest item in the balance sheet is inventories of raw material, goods in process of manufacture and unsold merchandise on hand carried at $13,844,923. Raw materials in this item have been taken in at cost but not above replacement value while goods merchandise has been taken in at factory cost only.

High Reserve for Credit Losses

Current accounts and bills receivable is always a large item in the balance sheet of Massey-Harris Company, since such a large proportion

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Gatineau Power Sells Preferred and Debentures?

From Our Own Correspondent.

MONTREAL.—The exclusive announcement of the new financing of the Gatineau Power Company which appeared in The Financial Post last week, has intrigued the interest of many of the large bond buyers. The Gatineau Power Company is a subsidiary of the Canadian International Paper Company and, while there is no official information obtainable yet about the new issue of first mortgage bonds, yet, the general impression seems to be that it will amount to around $25,000,000, bear interest at 5 per cent. and mature possibly in 25 or 30 years.

The figures of the cost of the developments on the Gatineau river have not been announced, but the cost of the projects is thought to be about $47,000,000. This being so, various guesses are being made about the form the remaining financing will take.

Thus, there are those who say that after the bonds have made their appearance, the company will also sell an issue of debentures and preferred stock. The common shares will be owned by the parent company. Others say that the debenture issue will entirely supplant the preferred stock issue, or vice versa.

As yet, it is too early to discuss the yield and price at which these securities will be offered the public. The price depends, naturally, on the state of the security market at the time of the offering. In the meantime, final details of the bond offering are being arranged, and it is thought the issue will make its appearance very soon.

Of course, large buyers of bonds would naturally be interested in any new power bond offering such as this, but in this instance, the fact that the Ontario Hydro Electric Commission has closed a contract to purchase sufficient power from the Gatineau Power Company to meet the bond interest requirements, lends an added attractiveness to the issue and an added interest in the price and yield at which the bonds will be offered, backed up, as they will be, by the long term contract with the Province of Ontario.

Canadian Wheat Pool Heads Branch Out to Far East

Special Correspondence.

OTTAWA.—Decision of leaders of the Canadian wheat pool to go to Australia to help organize a wheat pool there, emphasizes the international character of the Canadian grain marketing co-operative. That its policies have been in accord with those of the international wheat trust has long been recognized, and the use of Aaron Sapiro in wheat pool organization work has been considered for this reason. It will not be out of place without significance.

To assist in the organization of an all-Australian wheat pool on the Canadian model, representatives of the Canadian wheat pools will leave Canada on July 22 for an extensive visit in Australia.

The party will be composed of H. W. Wood, president of the Alberta pool; Colin Burnell, president of the Manitoba pool and on the Manitoba pool; G. W. Robertson, secretary of the Saskatchewan pool, and George McIvor, a sales expert, representing the Canadian pool.

Not St. Lawrence Paper; But Fracas in Flour Company

In last week's issue of The Financial Post, an article dealing with the fracas which is at present taking place in the St. Lawrence Flour Mills Company, unfortunately named the St. Lawrence Paper Mills instead of the St. Lawrence Flour Mills.

The text of the news item indicated that proxies for the next annual meeting were pouring in to J. A. H. Cameron, K.C., and while, normally, readers would have understood that there had been some mistake in the news, yet in this instance, the error was the more unfortunate as the St. Lawrence Paper Mills Company has a director of the same name, namely, A. K. Cameron. Again, the St. Lawrence Paper Mills is making steady progress both in earnings and in erecting the addition to its newsprint mill, whilst the St. Lawrence Flour is in anything but a happy position; so much so, that a group of large shareholders have asked for proxies with which, at the next annual general meeting, they will demand more adequate representation on the board of the company.

Big Output at Lower Prices is Policy of Canadian Canners

The season is now at hand when favorable or unfavorable weather conditions may mean a great deal in the fruit and vegetable packing industry. The size of the pack and the conditions under which it is packed have a direct bearing on profits and, therefore, an interest for shareholders in such concerns as Canadian Canners, Ltd. The Financial Post learns that the company has a large acreage out and a good sized pack is anticipated. The season for early fruits and vegetables is at hand and the outlook is satisfactory. The later fruits are coming along nicely but the season is backward.

The volume of business of Canadian Canners from the first of the year to the present time has been in excess of last year. The directors are following the policy of increasing consumer demand by packing to the limit of capacity—given favorable weather conditions — and making prices correspondingly low.

Fate of Besco Depends on Protective Personnel

Groups of High Calibre Men Could Formulate and Consummate Reorganization Plan Shortly — But Present State of Affairs May Drag on Indefinitely

MONTREAL.—The Besco reorganization scheme has not, and probably will not, be announced for some time. This, of course, is due to the necessity of obtaining the views of the holders of all classes of securities and then formulating a plan which will prove acceptable.

The best thing which could happen to the Besco is that some form of reorganization be undertaken soon, and that the corporation should get away once again to a fresh start, but close observers of the company feel that the interests of all may be sacrificed on the altar of the petty jealousies of the few. In other words, some of the larger holders of the Besco securities are worried; they feel that the best bet and only hope for the majority lies in holding the various components under one management. Especially is this so in the case of the Dominion Iron and Steel Company, which might have had an even rougher ride had it not been associated with the Dominion Coal Company.

Hard to Control Factions

Therefore, Besco bond and shareholders are worried because they feel that it will be next to impossible to get the various factions, which are represented by the various committees, together to agree to any one plan of reorganization. There will be too many working in opposite directions. For instance, it is possible that for the good of the shareholders and bondholders as a whole, it might be sound economics to close up some one plant; such action in the past, and probably to-day, would be accompanied by possible political complications and perhaps would meet with opposition on the part of some of the holders of the securities who happened to be resident in Nova Scotia.

Where then, lies the hope for some settlement of the situation? First of all, the investors in the Besco securities must reach a decision regarding whether or not they wish their properties to operate in the future in conjunction with all the other component companies. On the face of it, it appears that any break up would weaken, not only the parent company, but also the individual units. Thus when this decision is made, it will be necessary for each of the groups to realize that they will all have to make great sacrifices.

Long Drawn Out Affair

For instance, the second mortgage bondholders of the Dominion Iron already know that they will have to scale down their holdings to a basis comparable to the earning power of their company. Perhaps, they do not realize yet that they may have to make sacrifices to remain part of the original group of companies and thus retain the advantageous connection with the Dominion Coal Company.

The longer time taken to arrive at some settlement—and some feel that negotiations might be strung out over two or three years—the worse will be the effect on the companies as a whole. Wherein then lies the cure? The first step seems to be that bondholders and shareholders must insist on obtaining the strongest and most accredited representation on their protective committees. Should personal prejudices or personal interests play any part in the personnel of these committees, the negotiations will be the longer delayed. Only big men should be chosen.

More Committees Needed

Furthermore, all these committees should be in a position to negotiate with the other interests. For this reason there should be formed strong Canadian protective committees for the Dominion Iron consolidated mortgage bondholders and for the preferred shareholders of the Dominion Steel Corporation. These committees have been already formed in England, but there should be also Canadian committees empowered to negotiate on behalf of all.

The prevailing opinion is summed up by saying that the present trend toward the disintegration of Besco is a great problem which can only be met and surmounted by large calibre men elected by the various committees—only those who are prepared to deal with the problem in a big way. Thus, only the various groups representing widely divergent interests could be brought together and work out a reasonable and sensible answer to the problem which is confronting every individual investor in Besco at the present time.

Kelvinator Company Looks For Important Export Trade

Satisfactory business is reported by the Kelvinator Co. of Canada. The new plant is busy on production to fill Canadian orders. As facilities are improved and the output increases it is expected that considerable export business, especially within the British Empire, which is now being filled from the Detroit plant, will come to the Canadian company. This export business should prove important in the future as the mechanical refrigerator is expected to establish an extensive foreign market especially in those tropical countries where ice is scarce and refrigeration is desirable all year round. The increasing use of mechanical refrigeration in stores and apartment houses is a big factor in the company's output and the whole market for the company's products gives every indication of that continued expansion which has marked the introduction of other modern electrical equipment for commercial and domestic service.

Canadian Cigarette Prices Are Doubled by Taxation

Cigarettes of comparable quality sell at double the price in Canada that they can be bought for in the United States. Under the circumstances there has developed extensive smuggling by individuals as well as in a commercial way. Also tobacco manufacturers state there is in this spread an explanation of why consumption is relatively smaller in Canada than in the United States. All these things affect the business of the Canadian tobacco companies, which not only suffer loss of trade but point out that they must bear the responsibility with a great many people, who are not acquainted with the facts, for the higher prices charged in this country.

On many of their important lines the Canadian tobacco companies pay 80 per cent. of their selling prices out in taxes. Take a line of cigarettes going to the trade at $10.00 per thousand. The company has $2.00 out of which to buy materials, pay for manufacture and distribution and provide profits, while approximately $8.00 is paid out in taxes. In the United States the taxes are considerably less than half this amount. The whole difference in the retail price of cigarettes in Canada and the United States can be explained in this way, the tobacco manufacturers point out. On tobacco in other forms the tax levies are not so heavy but the advantage is substantially with the American companies.

In view of the smaller per capita consumption of cigarettes in Canada as compared with the United States Canadian manufacturers offer the argument that, apart from smuggling, which is a serious handicap, the high taxes of the Canadian government are actually defeating their purpose. On smuggled cigarettes—and the relatively high price in Canada encourages smuggling—the government get nothing, while tobacco men argue that a substantial reduction could be made in the present levies and this reduction made up by the increased consumption which would follow lower prices.

Canadian tobacco manufacturing concerns should benefit from any reduction in commercial smuggling, but there still remains the very extensive smuggling by individuals which will probably continue according to views expressed at the present time as long as prices are brought sufficiently close together that it will not be worth while to take the trouble. With smuggling stopped and consumption increased manufacturers believe that the present heavy taxes could be materially reduced without affecting the income. This phase of the situation they hope will have the consideration of the new government following the election. Also, a tobacco man speaking to The Financial Post this week pointed out the propriety of making Canadian smokers pay double the prices prevailing on the other side of the border.

600,000 MORE FARES FOR 'PEG ELECTRIC IN '26

Street Railway Makes Better Showing for First 6 Months

POWER SALES UP 15%

Revenues From Operation Increased More Than $100,000 During the Half Year Period—Better Times

A larger measure of industrial prosperity is reflected in the affairs of the Winnipeg Electric company. According to a statement made to The Financial Post by A. W. McLimont, president and general manager, the year 1926 has shown an increase over 1925 in the volume of business of all three utilities operated by the company.

The electric utility has shown the greatest increase, generation of electricity this year having shown an increase of 15 per cent. over the corresponding period of 1925. This increase is attributable to better business conditions in Winnipeg, which are largely the result of improvement in the economic situation in the West. Better business conditions are evidenced in the heavy building program in Winnipeg at the present time, an increase in the output of manufacturing establishments and an improvement in the wholesale and retail trade as compared with a year ago. The tourist trade has also been developing rapidly, due largely to the aggressiveness of Mayor Webb and various bodies in the local community.

Increase in Street Car Traffic

The street railway utility, which experienced a falling off of traffic during the period of 1921 to 1924, due to quiet business conditions and the increase in the number of automobiles, showed a slight improvement in 1925 when compared with 1924. During the year 1926 to date the upward trend, which became evident about the middle of 1925, has continued, with the result that the company carried 600,000 more revenue passengers in the first six months of 1926 than in the corresponding period of 1925. This improvement is attributable to the conditions mentioned above which has resulted in more employment in Winnipeg, which means more trips to and from work and also more pleasure trips on account of the means to take them.

The gas utility has also shown an increase in volume of business in 1926. This is due to an increase in the sale of gas to industrial establishments, a field which is being developed to a considerable extent at the present time.

Earnings are Higher

The improvement in the financial position of the company is evidenced by an improvement in gross earnings from operations during the first five months of 1926 of $85,531, when compared with the corresponding period of 1925. Net earnings from operation were better to the extent of $108,674 during the period. Net income from operation was up $67,005 for the five months period.

Altogether, says Mr. McLimont, the outlook is a promising one. Good crop prospects in the West, generally speaking, are excellent and when good naturally reflect to the benefit of Winnipeg. The situation in Winnipeg itself is marked with a healthy optimism as to the future.

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The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

The Background of Canadian Business

WEEKLY REVIEW OF CONDITIONS

Less Unemployment Than for Many Years
Immigration Flow Stimulated by Jobs for All
Retail Trade Recovers From Cold Weather Slump
Western Optimism Strong as Harvesting Approaches

THAT there is less unemployment in Canada to-day than at any time since the peak years 1919 and 1920 is a statement which can be made without hesitation. Government employment figures are always a little late, and the best that we definitely know from them is that at June 1 there was, generally speaking, no substantial number of persons out of jobs in Canada and that, in fact, over 50,000 people, who were unemployed at the beginning of May, found paying jobs during that month and were at work on June 1. June and July always see substantial additions to the volume of employment in Canada, the peak being found somewhere in the early fall.

The fact that Canada has few workless is at once a reflection of the prosperous condition of business generally and a promise of better business. More jobs means more spending power and spending power is the basis of better business. A continuation of the present condition will give business a chance to entrench itself against any possible slump.

Better employment conditions arouse interest in related problems. One is the supply of harvesters to garner the western crops. Present indications on the often fickle prairies are exceedingly promising and, should no untoward sequence of events disturb the even course of nature's busy productive activities, there will be a heavy demand for workers. Meeting the demand for harvesters is not going to be easy this year. Railways and government offices will have to organize harvester campaigns here and abroad on a big scale.

Need Industrial Immigration

The second problem suggested by the rise in employment is the question of immigration. Authorities on immigration matters incline to the view that the point has definitely been reached in Canada when our present immigration activities can be extended to encourage industrial as well as agricultural immigration. Unfortunately, activities of immigration agents are curbed by the local legislation in some of the countries that would otherwise be the most attractive fields of discovery of new immigrants. If the continued demand for workers in Canada gives definite stimulus to further immigration it would be a factor of vital importance in increasing Canadian purchasing and thus enlarging the demand for Canadian goods.

The better conditions in Canada have already had their effect, both in bringing new peoples from the British Isles and Europe and in urging Canadians, resident in the United States, to return to their homeland. Immigration this year to date shows an increase of about 100 per cent. over the early months of 1925; returning Canadians from the United States are more numerous, while there is evidence that the flow southwards is much smaller. It seems fair to state that during the present year Canada has increased in population to a greater extent than the natural rate of increase, for the first time in six years. We are now doing better than holding our own.

Better Weather; Better Business

Retail business throughout Canada has been dull this spring and summer despite the more active industrial conditions and the enhanced purchasing power of the country. Chiefly, the weather is blamed for the condition. A very late spring left merchants with unseasonable stocks on hand and "sales" have been numerous.

Cash position of the merchants though is favorable and failures have been greatly reduced. Wholesale firms report that orders are now picking up. Tourist traffic is a factor for better trade and prospects of generally favorable crops throughout Canada have stimulated public buying.

The underlying note in retail trade is decidedly one of steady improvement, particularly as the harvesting season approaches.

West Optimistic on Outlook

The cocksureness of western optimism at the moment, regarding the crop outlook may be illustrated by reports that come from widely scattered centres that less hail insurance is being written this year than normally. Weather conditions have been so satisfactory, on the whole, and the promise of the crops so excellent that the farmers are certain in their own minds that nothing can prevent them from reaping a profitable harvest.

In every province, crop conditions are satisfactory with normal or better than normal returns expected.

A bank manager in a Quebec town makes a report that tells a story that could be told in most centres in Canada. Industrial conditions are very favorable and there is employment for all who wish to work, he states.

Summary of Situation

Car-loadings show heavy shipments of merchandise. Reduction in the price index reflects important declines in a few commodities. Cost-of-living is slightly down in recent months. Foreign trade continues strong. Eastern industries are generally speeding up. Luxury lines are active, stimulated by instalment selling, which has not reached unsound heights in Canada. Election campaign is not likely to be an important factor in business, although a decisive vote would create a feeling of stability. Reports of mercantile agencies show conditions less spotty with weather influencing business less unfavorably. Railway earnings are touching new peaks and prospects of good western crops give promise of continuance. Commercial loans of banks show increase, reflecting expanding business. Building construction active in some centres.

Canadian Business Indicators

INDUSTRIAL

Car Loadings—

	1926	1925
Week July 3	56,435	46,765+20.7%
Yr. to date	1,485,343	1,324,606+12.1%

Grain Receipts—

Aug 1 to July 2	386,870,599	247,867,770+56 %

Building—Permits in 49 Cities

6 months	$71,060,835	$59,251,588+20 %

Railway Earnings—

5 Months—	1926	1925
C. P. R.	$69,693,817	$ 61,691,172+12.9%
Oper. Exp.	58,564,234	55,477,977+ 5.5%
Net	11,129,583	6,213,195+79.1%
C. N. R.	$98,685,109	$ 87,339,081+12.9%
Oper. Exp.	85,769,526	83,164,359+ 3.1%
Net	12,915,582	4,174,721+209.3

Pig Iron Output—tons

May, 1926	Apr. 1926	May, 1925
72,762	67,607	63,204 tons

Employment—5,907 employees

June, 1926	May, 1926	June, 1925
101.0	94.3	94.5

FINANCIAL

Bank Clearings—

	1926	1925
June	$1,463,784,765	$1,236,290,649+18.4%

Savings Deposits—Chart. Banks—

May	$1,334,842,107	$1,259,879,335+6%

Current Loans—By Banks—

May	$926,508,698	$909,091,414+2%

COMMERCIAL

Balance of Trade—12 mo., May 31

12 months, May 31—	1926	1925
Exports	$1,310,446,958	1,072,301,848+22.2%
Imports	946,257,055	799,700,249+18.3%
Balance	364,189,903	272,601,599+33.6%

Wheat, No. 1 Nor., Winnipeg—

1926	1925
July 12, $1.57	July (Av.) $1.62

Cattle—Good, Toronto

July 12, $7.80	July (Av.) $7.34

Hogs—Select, Toronto

July 12 $14.75	July (Av.) $13.85

Prices—236 commodities

June, 1926	May, 1926	June, 1925
155.7	157.	158.6

Greater Vancouver Building Increases by Millions

With the city's total for the first six months of this year only $211,100 below that for the whole of 1925, the value of building permits issued in Greater Vancouver, exclusive of Burnaby, from January 1 to June 30 this year, has reached a total of $12,378,703 against the figure for the corresponding period of 1925 of $9,008,538, an increase of $3,370,165.

In North Vancouver district the six months' total is double that of all 1925, and in West Vancouver the 1925 figure is trebled by the amount of the first half of this year.

Following is the tabulated report of building permits issued since January 1, 1926, in municipalities of Greater Vancouver, exclusive of Burnaby:

	1926	1925
xCity	$7,752,475	$4,898,743
Point Grey	3,337,300	3,105,500
South Vancouver	557,055	751,120
North Van. City	334,470	90,340
North Van. Dis.	175,130	79,937
West. Vancouver	222,273	82,898
	$12,378,703	$9,008,538

x Increase $2,853,732. Total for all 1925 was $7,963,575.

General Motors Broke Records First Half of 1926

General Motors' domestic business for the first half of the present year exceeded the record of any previous year. While the exact number of cars manufactured at Oshawa has not been made public, it is understood that it is well in excess of the 35,000 mark.

Although July is generally regarded as a slack month in the automobile industry, and the plant here is usually closed down for a period during July, such will not be the case this year.

New York Observers See No Decline in Grain Price

The various factors in the grain situation have tended more and more to tip the scale on the bullish side, says the Annalist of New York. The theory that the world will have to buy heavily from appearance is not fully justified, but it is undoubtedly true that Europe is short of wheat. The Canadian crop has recently experienced some damage and will not be as large as last year.

American situation would still indicate a crop of about 750,000,000 bushels. Estimates of winter wheat range from 550,000,000 bushels to 575,000,000 bushels, or slightly above the five year average. Spring wheat estimates range from a little under 200,000,000 bushels to 210,000,000 bushels, which is slightly below the last five year average.

The United States and Canada will probably produce about 100,000,000 bushels of wheat more than last year, one-third of which should go to replenish the depleted stocks. If Europe, including Russia, falls short over 100,000,000 bushels as compared with last year, there will be no reason for prices to recede. European crops have not been good, but the extent of the damage they have suffered is not known.

CROP CONDITIONS COAST TO COAST ABOVE AVERAGE

West is Talking Bumper Crop—Estimates Smaller, Price Higher

"The crop outlook is as good as ever recorded."

"Crops are twenty-five per cent. better at the moment than the ten year average for this stage of their growth."

These statements are typical of the reports from Western Canada.

Apparently, everything has gone fairly smoothly this summer in the west, and only the unforeseen will prevent the west from harvesting a better than normal crop. It is fairly certain to be less than the 1925 crop but on the other hand prices are likely to be better.

Saskatchewan's Conditions

The provincial government's statistical bureau wires to The Financial Post from Saskatchewan:

"Crops have made fair progress during the last two weeks, according to telegraphic reports received by the statistics branch of the Saskatchewan department of agriculture. Over forty per cent. of the wheat is now in head and is generally considered as early or somewhat earlier than last year. There have been several days of hot, dry weather during the last two weeks and as a result crops on light land on the tops of the knolls have suffered to some extent. Generally speaking, the eastern half of the province is well supplied with moisture but there are many points in the western half where the crops are in need of rains. There has been no serious injury to crops from hail or other sources except the hot, dry weather. Work on the summer fallow has progressed rapidly and is nearing completion all over the province."

Alberta is Optimistic

Alberta's crop report is fairly optimistic, although reports from around Macleod in Southern Alberta are not uniformly satisfactory.

Generally satisfactory conditions prevail throughout the province with respect to the growing crops. The weather generally is ideal for growth.

Early seeded grain in the south is in head, and short, but with more rain will produce a fair yield. There has been generous precipitation throughout the south with the exception of a few limited areas, and the prospects are encouraging. Late sown grain in the south is growing rapidly and showing a most satisfactory condition. In the central and northern parts, while there has not been any further heavy precipitation in general, the conditions are excellent. From twenty-five to fifty per cent. of the wheat in central districts is coming into the head.

The general consensus of opinion is that with normal conditions the province will harvest above an average crop.

Irrigated crops in the south are in excellent shape.

Pasturage has been good, and there is an increase in milk production.

Manitoba's crop is reported by the Free Press as being in fair condition.

The Dominion Bureau of Statistics estimate is not unsatisfactory.

Canada's estimated wheat yield, as indicated by crop conditions on June 30, is 348,626,000 bushels. The yield estimated for the prairie provinces, is 327,226,000, and for the rest of the Dominion, 21,400,000 bushels.

The total estimated yield for oats, indicated by conditions on June 30, is 458,840,000. For barley the yield for the Dominion is forecast at 100,624,000. For rye, the total estimated yield is 11,762,000 bushels, and for flaxseed, a yield of 8,419,000 bushels is forecast, based on conditions indicated on June 30.

The crop report issued on the same date last year estimated the wheat production of Canada at 365,000,000 bushels; oats at 468,000,000 bushels, and barley at 86,000,000 bushels. Final figures of last year's harvest were greatly in excess of the estimate. Production of wheat was approximately 417,000,000 bushels; oats was 513,000,000 bushels, and barley 113,000,000 bushels.

The total area estimated as sown to wheat in Canada for the season of 1926 is 22,492,000 acres, as compared with 21,972,732 acres finally reported for 1925. The increase is, therefore, 519,268 acres, or two per cent.

Good Fruit Crop on Coast

Elsewhere in Canada conditions vary. In British Columbia, a good fruit crop is expected. Ontario has benefited from recent rains, which have added millions to crop values in certain districts. Quebec and Maritime province reports on different crops vary as between different classes of produce but on the whole stability of revenue is indicated in the reports.

Drought in the northwestern United States is responsible for crops there showing a sub-normal condition.

Border Cities Get Two New Branch Plants From U.S.A.

Recently two new plants have been established in the Border Cities, Ontario, as branches of United States concerns. Both of these are in the field of iceless refrigeration and they are the first American branch plants to be established in the Border Cities in six years.

Thus better business in Canada and the development of a great new industry, that of electrical, ice-less refrigeration, is helping to build trade for an important Canadian industrial centre.

Fisheries on B.C. Coast Prospering This Season

Foreign demand for Canadian salmon is maintaining steady prices and healthy trade in the canned products of British Columbia fisheries. Inquiries for the Canadian product comes from all over the world.

Up Prince Rupert way and on Victoria Island, where the fresh and salt fish industries are important, there is much optimism because of the good catches and the strong prices. Small fishermen around Prince Rupert are reaping a financial harvest that is providing stimulus for trade in that district. Much new capital is going into fisheries operations on the coast.

Over-production in British Columbia logging is one of the factors keeping down prices of timber on the coast. British Columbia timber trade is not holding up this season, according to reports from the coast, and the mills anticipate lower prices.

Prices Continue Decline; Some Goods Away Down

There was a further decline in the price level in June. The Dominion Bureau of Statistics index number fell 1.3 points from 157 to 155.7. The decline was due chiefly to a few important declines.

Vegetables and their products (grain, fruits, etc.) declined from 180.7 to 173.7 chiefly because of the lower levels for flour and potatoes. Grains were slightly lower. Animals and their products rose from 133.5 to 137.5, higher levels prevailing for livestock, meats, butter, cheese, lard and eggs. Fibres, textiles and textile products declined from 174.0 to 172.0 due to declines in cotton, silk, jute and hessian. Iron and its products fell from 144.1 to 143.5 due mainly to a decline in the price of pig iron. Non-ferrous metals and their products rose from 103.5 to 104.1, higher prices for copper, lead, silver and spelter more than offsetting lower prices for tin and antimony. Non-metallic minerals and their products rose from 174.6 to 175.8 due to higher gasoline and coal oil prices. Chemicals and allied products were 157.9 as compared with 157.2 last month.

The index number for consumers' goods (that is, beverages and tobacco) declined from 161.4 to 160.4, higher levels for meats, butter, cheese, eggs, bananas, lemons, oranges, gasoline and coal oil being more than offset by lower levels for flour, potatoes and other vegetables.

June, 1925	158.6
March, 1926	160.1
April, 1926	160.6
May, 1926	157.
June, 1926	155.7

Rock Island Firms Busy; Probe Did Not Hurt Them

Manufacturers at Rock Island, Quebec, are busy and the slump that was expected to follow the customs investigations, with its exceedingly unfavorable publicity for many Rock Island firms, has not materialized.

The improvement at Rock Island extends to other centres, for cotton manufacturers elsewhere in Quebec report that they are now receiving business from Rock Island for the first time in several years.

Newfoundland Has Large Fish Catch But Competition Keen

The unusually large catch of fish in Newfoundland this summer has encouraged business men there, although the growing competition from Norway remains a fly in the ointment.

Recently, a commission was appointed to inquire into the catch, cure, transportation and marketing of salt fish. The commission is non-partisan and consists of business men. It is hoped that improvement will follow its labors.

Bankrupt Firms Fewer in Second Quarter, 1926

A favorable showing is made by commercial failures in Canada for the second quarter of this year, according to the reports of R. G. Dun & Co., the number of defaults being 497 and the liabilities $8,085,720.

Second Quarter Failures

1925 number	549
1926 number	497
1925 liabilities	$12,143,313
1926 liabilities	8,085,690

Some Furniture Firms Double Business This Year

Although the furniture business in Western Ontario is not generally normal at the present time there are some outstandingly busy firms. One firm reports that its business in June was 100 per cent. above business for June 1925, while another firm's sales have totalled 105 per cent. over the first half of 1925 so far this year.

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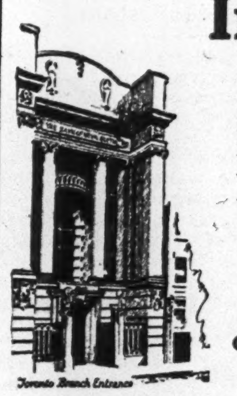
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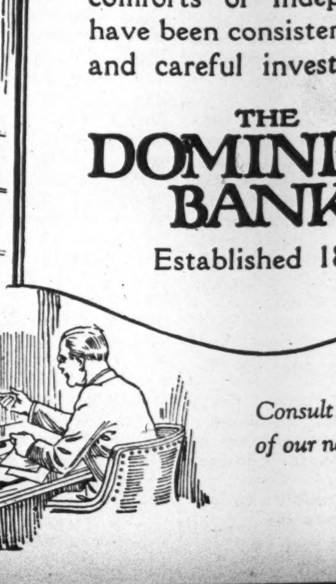
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British Manufacturers Protest Need of Chicago O.K. on Goods for Here

British manufacturers, particularly in the field of electrical supplies, express themselves very strongly on the necessity of getting the stamp of an American body on their goods before they can be sold in Canada. While there is no law in Canada requiring electrical fire prevention or fire fighting apparatus to bear the stamp of approval of the underwriters' laboratories in Chicago, to all practical intents and purposes, there is no market for such goods unless they have been approved by those laboratories. As the laboratories draw practically their entire financial support from United States firms manufacturing these goods, British firms claim that it is a serious restraint upon their sales in Canada to be forced to have their goods, manufactured in Britain, to be inspected and passed by a laboratory maintained by their great trade competitors in the United States.

"If you want to get our viewpoint on the matter," remarked a British manufacturer of electrical appliances the other day, "consider what an American manufacturer would think if he had to get his goods passed by British engineers in a laboratory maintained by British industrialists before he could sell them in the Philippine Islands. Well, that is just the position of the British firms and we have good reason to know that the system does not work out to our advantage; that it is so difficult as to be ordinarily impossible for a British manufacturer to get his goods passed by the Chicago underwriters' laboratories."

How One Firm Turned Down

A recent example will suffice to show how the system works out, an example that to the British manufacturer is a clear proof that he is up against discrimination directed towards the advancement of American trade with Canada to the detriment of British trade. A manufacturer of an electrical switch, such as is commonly used in houses and other buildings, brought his product to Canada and made tentative arrangements to put it on this market. He got a number of distributors interested, who were much taken by the workmanship and apparent safety of the switch. But it was first necessary to get the stamp of approval of the underwriters' laboratories. There was no law requiring this, but builders and property owners know that their insurance rates are affected by the use of tested articles bearing the underwriters' approval. And so the average buyer does not take a chance on the article that has not been passed. This means that if the approval is not obtained there is no sale for the goods.

The average British manufacturer finds himself unable to understand the anomaly of having to go to an American city to get British goods passed for sale in Canada. He equanimity is further upset when he finds that the laboratory is chiefly financed by the sale of approval labels, of which some 8,000,000 were sold last year and almost entirely to American concerns, thus making the laboratory almost entirely dependent upon the very American manufacturers who control the market in Canada and whose goods would be displaced by the British goods coming on the market. The British manufacturers definitely charge that the high percentage of rejections of British goods has its origin in this circumstance, despite the usual acceptance of independence and fairness in the laboratories' tests and dealings.

Ontario Hydro an Exception

There is practically no exception to the present method of requiring a Chicago O.K. The Ontario Hydro-Electric Commission, which governs the installation of electrical appliances in Ontario, accepts the approval of an English advisory board where such is available but this gives only partial relief in their problems, claim British firms.

To meet the situation the suggestion is made that a Canadian Bureau of Standards should be established by the Canadian government, with a testing laboratory to be financed by the government, by purchasers of appliances, or in some similar way.

Incidentally, Canada's importations of electrical apparatus, amounting to about $116,000,000 yearly, come chiefly from the United States, proportions being 86 per cent. from U. S. A., 10 per cent. from Britain, and 4 per cent. from other countries.

Of course, the circumstances affecting British manufacturers applies also to Canadian firms competing with U. S. houses.

No British Goods Given O. K.

The fact that there is not a single piece of British-made electrical equipment in the list of approved appliances and supplies, as adopted by the Fire Underwriters' Laboratory of Chicago, was brought out in an interview with Mr. Driscoll, who is in charge of electrical inspection for the Canadian fire underwriters. He stated that at one time the underwriters' laboratory had representation in England through an engineering firm by the name of Heap & Digby, but during the disturbances incidental to the war this connection was discontinued, and since that time there has been no recourse for the British manufacturer of electrical equipment wishing to market his product in Canada but to submit to the tests of the Chicago laboratory. No British or foreign materials are on the approved list of this laboratory, and, in discussing this subject, Mr. Driscoll stated that their experience had been that foreign manufacturers had been much more inclined to adjust their product to the requirements of Canada than had certain British manufacturers who had approached the fire underwriters from time to time. The case of one British manufacturer of an electrical switch was cited. Upon being told that his device, with certain changes, would be suitable for the Canadian market, this manufacturer replied that his firm would not consider changing it and would rather sacrifice the Canadian market. On the other hand, German industries in trying to get a foothold on this market had shown the greatest care in investigating requirements and changing their product to suit Canadian needs.

Ontario Hydro Governs in Ontario

In Ontario the approval of the Ontario Hydro-Electric Power Commission is taken, but though an official of this commission stated that this same approval was sometimes taken outside the province of Ontario, Mr. Driscoll stated that this was not the practice. He pointed out that the hydro inspection was efficient and no question was raised about their approval applying in Ontario, but outside the province the approval of the fire underwriters' laboratory was required. Certain inspectors were at work on equipment in the offices of the Canadian fire underwriters, but the bulk of the approving was done in Chicago, and it was unlikely that a laboratory would be established in Canada because of the great cost involved.

Mr. Driscoll was of the opinion that the British manufacturer had no justification for complaint, stating that there was no discrimination against British goods and no likelihood that because the Chicago laboratory was supported by American capital that favoritism would be shown the American product. He stated that this would also not apply against Canadian goods, for many of the insurance companies which supported the laboratory in Chicago were also doing business in Canada, and many Canadian concerns were listed among the industries whose products were approved. This applied to fire doors, fire extinguishers, and electrical equipment.

W. R. Cale, chief of the approved department of the Hydro-Electric Inspection Service in Ontario, advised that the hydro's approval was taken on a number of articles in other provinces. He stated that the Canadian Electric Co. made switches which were approved by the hydro, and, with this as the only approval granted, they were sold in other provinces throughout Canada. It was his opinion that no fire insurance company would increase the insurance rate on any property where it was found that the electrical equipment was approved by the Ontario Hydro-Electric Power Commission. He stated that if an English manufacturer wished to do business in Canada the hydro would arrange for inspection of his product here and would arrange with English engineers to visit the manufacturers' plant in England and make the necessary inspection there. It would seem, therefore, that the approval of the inspection service of Ontario Hydro is the only chance for relief for English manufacturers wishing to do business in Canada.

Position of Canadian Firms

It is a situation which may also develop interesting possibilities for the smaller Canadian manufacturer of electrical equipment wishing to do business outside of Ontario. If a British or Canadian manufacturer is to be compelled to have his equipment approved in the fire underwriters' laboratories in Chicago there are certain difficulties which he faces compared with the U. S. manufacturer which are apt to result to his disadvantage. For one thing it is not so easy for an inspection to be made of his manufacturing processes. The fact that there is a rather limited proportion of Canadian-made equipment, and no British or foreign electrical equipment whatever on the approved list, would seem to indicate that the practice does not work out to the advantage of manufacturers in those countries. Some manufacturers hold the view that if the approval of the efficient laboratories of the Ontario Hydro Commission is good enough for Ontario, it is good enough for the rest of Canada.

Building in Canada's Cities Gained $12,000,000 in Half Year

Canadian building permits issued in 49 cities showed $11,800,000 advance in the first six months of 1926 over the similar period in 1925, The Financial Post's summary shows. June showed an advance of $2,385,000. Comparative figures:

Forty-nine identical cities

June, 1926	$16,027,687
June 1925	13,642,882
Increase	$2,384,805
Half year, 1926	$71,060,835
Half year, 1925	59,251,588
Increase	$11,809,247

Montreal's big permits included a new telephone exchange at $134,150, and a church for the Fabrique St. Jean de la Croix at $325,000. The Montreal Industrial Land Co. is building a block of dwellings valued at $84,000. A commercial block, valued at $29,000, is going up in Sherbrooke. A school, valued at $37,000, is on the list in Three Rivers.

In Guelph, Loretto Academy is building a structure valued at $50,000. Hamilton reports an $82,000 school; a $50,000 addition to Mercury mills, and $40,000 additions to Temple Theatre for garage and show room. Kingston has a new school at $150,000.

In Ottawa there are two new exhibition buildings, valued at $34,000 and $41,000, and a three-story addition to A. J. Freeman's store, $50,000.

Various buildings for the Thunder Bay Pulp & Paper Co. add $450,000 in Port Arthur. Grouts, Limited, are putting up a $45,000 factory in St. Catharines.

The Krochler Manufacturing Co. is expanding its Stratford plant, spending $44,000, and the Perth Mutual Fire Insurance Co. is making a $22,000 addition. In Toronto an apartment house on Roncesvalles is adding $150,000, and one on Avenue Road $100,000, while a Consumers' Gas engine house will cost $85,000. The new Catholic church at Welland accounts for $69,000 of the total there.

In York Township, dwelling house construction is active and a $24,000 school is going up.

Winnipeg is busy. Two warehouses add $65,000 and $74,000 to the total; a hospital adds $118,000, and a tenement $70,000. A medical arts building is valued at $80,000 and an office building at $123,000 Spiller's new flour mill in East Calgary accounts for $450,000 of Calgary's total. In Regina a new Masonic Temple at $62,000 and additional exhibition buildings to the value of $50,000 are of interest.

Saskatoon is getting a $225,000 office building. Vancouver's new $1,500,000 hotel is the chief item there. Point Grey, in the suburbs, is getting three new schools, total value $162,500.

BUILDING PERMITS ISSUED IN JUNE

EASTERN CITIES

	June, 1926	June, 1925	Change	Six Months— 1926	Six Months— 1925	Change
Maritimes—						
Halifax	$ 41,335	$ 46,200—	$ 4,865	$ 208,632	$ 825,652—	$ 617,020
Moncton	45,665	8,770+	36,895	195,373	59,085+	136,288
St. John	16,700	174,000—	157,300	267,660	684,930—	417,270
Sydney	4,750	845+	3,905	81,660	12,241+	69,419
Quebec—						
Montreal	2,461,587	2,916,555—	454,968	13,672,239	11,484,558+	2,187,681
Outremont	220,950	171,600+	49,350	1,400,950	1,447,850—	46,900
Quebec	1,518,660	382,661+	1,135,999	2,433,159	1,334,407+	1,098,752
Sherbrooke	88,800	31,500+	57,300	266,800	185,260+	81,540
Three Rivers	154,490	57,100+	97,390	906,290	1,740,500—	834,210
Westmount	251,425	1,145,112—	893,687	2,864,400	1,712,712+	1,151,688
Ontario—						
Belleville	10,225	29,910—	19,685	264,545	109,820+	154,725
Brantford	16,250	24,097—	7,847	70,645	77,344—	6,699
Chatham	20,595	10,215+	10,380	187,550	84,760+	102,790
Fort William	62,710	81,170—	18,460	546,035	462,465+	83,570
Galt	7,501	7,490+	11	144,249	82,799+	61,450
Guelph	77,820	87,611—	9,791	192,465	254,263—	61,798
Hamilton	431,500	361,000+	70,500	1,817,650	1,516,650+	301,000
Kingston	202,691	12,277+	190,414	490,839	195,439+	295,400
Kitchener	135,092	176,800—	41,708	574,421	859,859—	285,438
Niagara Falls	261,232	124,765+	136,467	998,472	524,690+	473,782
Oshawa	103,205	47,600+	55,605	202,990	289,400—	86,410
Ottawa	383,663	397,550—	13,887	1,071,818	3,500,004—	2,428,186
Peterborough	23,063	35,630—	12,567	113,018	137,616—	24,598
Port Arthur	488,355	29,966+	458,389	737,384	268,241+	469,143
Sarnia	61,530	51,308+	10,222	295,159	388,318—	93,159
Sault Ste. Marie	24,775	18,700+	6,075	127,027	133,770—	6,743
St. Catharines	97,446	108,107—	10,661	306,388	333,259—	26,871
St. Thomas	13,240	11,705+	1,535	102,967	285,581—	182,614
Stratford	78,674	29,117+	49,557	218,516	263,000—	44,484
Toronto	2,407,549	3,046,810—	639,261	11,945,913	12,998,633—	1,052,720
Welland	107,895	21,855+	86,040	301,114	58,890+	242,224
Woodstock	17,100	6,142+	10,958	46,443	45,104+	1,339
York Township	435,150	465,650—	30,500	2,299,700	1,878,500+	421,871
Total 33 East. Cities	$10,271,623	$10,119,818+	$ 151,805	$45,352,471	$44,235,600+	$ 1,116,871

WESTERN CITIES

	June, 1926	June, 1925	Change	Six Months— 1926	Six Months— 1925	Change
Manitoba—						
St. Boniface	$ 48,595	$ 52,885—	$ 4,290	$ 279,906	$ 671,638—	$ 391,732
Winnipeg	1,069,350	554,250+	515,100	8,069,600	2,412,940+	5,656,660
Alberta—						
Calgary	629,330	151,200+	478,130	1,317,308	644,250+	673,058
Edmonton	153,340	183,540—	30,200	1,000,090	763,630+	236,460
Lethbridge	17,295	21,285—	3,990	96,450	94,659+	1,791
Medicine Hat	2,450	160+	2,290	15,525	6,015+	9,510
Saskatchewan—						
Moose Jaw	18,735	125,280—	106,545	113,905	180,545—	66,640
Prince Albert	7,640	11,425—	3,785	26,525	20,520+	6,005
Regina	384,570	215,243+	169,327	1,728,619	692,223+	1,036,396
Saskatoon	385,205	85,575+	299,630	1,041,468	633,987+	407,481
British Columbia—						
Nanaimo	6,556	5,700+	856	57,931	42,080+	15,851
New Westminster	100,393	79,435+	20,958	373,388	239,755+	133,633
Point Grey	708,000	503,600+	204,400	3,853,800	3,105,500+	248,300
Prince Rupert	12,600	31,600—	19,000	93,880	361,364—	267,484
Vancouver	2,179,525	1,477,506+	702,019	7,756,825	4,898,743+	2,858,082
Victoria	32,480	24,380+	8,100	383,144	248,139+	135,005
Total 16 West. Cities	$ 5,756,064	$ 3,523,064+	$2,233,000	$25,708,364	$15,015,988+	$10,692,376
Gd. total 49 cities	$16,027,687	$13,642,882+	$2,384,805	$71,060,835	$59,251,588	$11,809,247

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TORONTO 2

The Securities Markets

SUMMER MARKET CONTINUING TO SHOW STRENGTH

Number of Sharp Gains Made by the Speculative Favorites

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of July 14	94.6	93.2
Week of July 7	94.6	92.7
Mth. of July, 1925	80.3	73.2
9 Bank Stocks		
Week of July 14	$225	$224
Week of July 7	225	223
Mth. of July, 1925	211	207
10 Public Utilities		
Week of July 14	93	92
Week of July 7	93	92
Mth. of July, 1925	90	87

Renewed interest in some of the market favorites developed during the week and the whole situation has been steady to strong in tone, although individual stocks have been inclined to respond to particular influences rather than follow a general trend. On the whole the market is not an active one, the volume of trading reflecting the season. However, the performance throughout must be regarded as satisfactory for mid-July and in view of the unsettled political situation. Developments in regard to the crop are being closely followed and the action of special stocks indicates anticipation of improvement in the agricultural supply industries, while business in general is evidently looking forward to sustained buying power in the rural communities. The strength of the bank stocks may be taken as indicating good prospects for sustained trade and industrial activity. Following is a summary of the changes of the week as indicated by the various groups of securities:

	Gains	Losses	Unch.	Total
Banks	5	.	4	9
Paper	6	6	3	15
Steel	7	5	18	30
Foodstuffs	6	11	20	37
Utilities	11	7	7	25
Tractions	3	2	8	13
Textiles	4	3	7	14
Industrials	10	14	24	48
Totals	52	48	91	191

The continued advance of the New York market is having at least a sentimental effect on the Canadian markets. There has recently been a distinct change in opinion in Wall Street as to the business situation and outlook. When the break came early in the year the feeling was general that a period of depression was being entered upon which would seriously affect business profits during the second half of the year. However, after moderate recessions in some lines the situation appears to have adjusted itself. The contraction in the building industry and in the demand for automobiles has failed to materialize as predicted. Indications now are for active business for the balance of the year, and this is the basis upon which the Wall Street market has been making its new advance. However, in the midst of the general optimism there are some indications in the money rate and certain other fundamental factors that the top of the present upward movement may be approaching unless there is a greater measure of success on the part of the professional element in inducing the public to participate.

In the Canadian Markets

The renewed buying of Canadian bank stocks is indicated by the fact that all changes during the week have been to higher levels. Advances have been scored by Commerce, Imperial, while Dominion, Nationale, Standard and Toronto are unchanged.

Changes in the paper stocks during the week have been equally divided in advances and declines. Laurentide and Howard Smith have been among those showing gains and Abitibi and Wayagamack among those selling off.

Although Steel of Canada common has been inclined to sell off recently there have been more gains than losses in the steel group during the last week. Massey-Harris has been an outstanding member of this group with the sharp advance on prospects of continued good business in Western Canada. Canadian Car also made a nice gain.

The milling and foodstuffs stocks have been quiet as a group and losses have been more numerous than gains. Canada Bread common and the "A" preferred both sold off slightly after their recent rise. Arnold's and Atlantic Sugar were fractionally lower. Canadian Canners preferred made a sharp advance and the common strengthened fractionally. Canadian Bakeries common sold off while the preferred did better. Dominion Stores sold off a point and William Davies "A" a fraction. Pure Gold duplicated its low at 18 with more stock offered at that price. Western Grocers common eased a couple of points while the preferred advanced impressively to 70. There was little trading in the milling stocks and changes were not significant.

In the utilities section Brazilian Traction continued as the feature, selling up well over par following the appearance of the annual report and favorable news as to current operations. Twin City was in demand at somewhat higher prices. Bell Telephone and Consumers Gas both sold higher, as did the Mackay stocks. Mexican Light preferred scored a big gain when it sold up to 86. Montreal Light, Heat and Power sold off somewhat after the announcement of capital redistribution. Shawinigan was a strong feature of the list selling up about 5 points evidently on the strength of the news affecting "Power."

Canadian Cottons common was a strong feature of the textile group, selling up more than 5 points. Canadian Converters and Dominion Textile, as well as Penman's, also advanced. In the general industrials, F. N. Burt was off a point. Canada Cement advanced to 105, Dominion Glass was up half a point. Gilman common made a sharp advance from 108 to 120. Goodyear preferred advanced to 96. Lyall was up a couple of points to 44. Pacific, Burt and Woods Manufacturing sold off.

Gooderham & Worts' Shares To Be Split 10 for One

Directors of Gooderham & Worts, have decided to submit a by-law at a special shareholders' meeting called for July 29 calling for subdivision of the stock in the ratio of ten shares of no par value for each share of $100 par outstanding. The stock advanced rapidly since being admitted to trading in the unlisted section of the Toronto Exchange about a year ago. It came out at 120, and moved up across 250. The stock was quite closely held, and its speculative attraction became apparent when it was learned that profits were running at a very high rate. There has been a lull in the market for Gooderham & Worts stock recently. The decision to split the stock ten for one should popularize it and make for a wider distribution.

There was a mortgage of $500,000 placed on the company's properties at the time of the reorganization, but this has been entirely paid off out of earnings.

International Nickel Recovering Popularity

International Nickel moved forward this week on New York buying. The Street generally is prophesying big things for the company over the course of years, and, while no immediate change in the dividend rate is predicted, yet it is pointed out that in due course the shareholders will share to a greater extent in the increasing profits of the company. The statement for the second quarter of the year is awaited with interest.

Smelters Stronger on Better Price Outlook

MONTREAL.—There has been apparent of late a revival of interest in Consolidated Smelting. An increase in the price of lead to nearly 8½ cents per pound a few days ago was announced, which may have stimulated some interest in the stock. At the end of this month there will be issued by the company an earnings statement for the six months of 1926. That this will show a very considerable increase over the corresponding period of last year might readily be judged from the production figures for that period, as released recently, showing as they did great gains over the same period of last year in all minerals.

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Receiver Indicates Dominion Iron Makes Operative Profit

Apparently Receiver's Certificates Need Not be Issued — But Company Needs New Financing to Make Improvements — Indications All Point to a Very Drastic Scaling Down of Capital

From Our Own Correspondent.

MONTREAL.—The National Trust Company, as receiver, has completed taking over the management of the Dominion Iron and Steel Company. In speaking of the property, W. E. Rundle, vice-president and general manager of the National Trust Company, made some announcements which are of very definite interest to the holders of the company's securities.

In the first place, he declared that the receiver has been able to obtain and furnish all the funds required to pay wages, provide material and meet all other expenditures incidental to the continuance of operations. This indicates, that under conditions prevailing at present, although the company may not be able to meet its bond interest, yet it is able to make an operating profit. In other words, the bondholders and the preferred shareholders can be assured—if present conditions are maintained—that the plants will not close down and that the assets will not be sold as scrap.

This is one inference which may be taken from Mr. Rundle's remarks. Furthermore, he has made no mention of the necessity of issuing receivers' certificates which would rank prior to the company's bonds. All this seems to indicate simply the need for a capital reconstruction which will place the company's capital at a figure upon which it can operate without passing into the hands of the bondholders. In other words, the holders of the consolidated mortgage bonds and the preferred shares must be content to accept a very drastic cut in the par value of their holdings and the claims which their securities have upon the earnings.

Company Needs New Orders

Mr. Rundle has also stated that there is a fine spirit of co-operation amongst the officials and men at the mills and that this will considerably help the receiver in the difficult task which has been undertaken. Of course, he admits that the company is badly in need of new orders.

There are at present some 1,300 men employed at the plants whose operations include making pig iron, steel ingots, billets, rods and wire nails, as well as a steel rail rolling mill.

A report comes from Sydney that the nail and wire mills of the steel plant which have been operating spasmodically until recently and were finally forced to suspend work through lack of orders, have re-commenced work and have now sufficient orders on hand to keep these departments going full time for the next four months. It is understood that this business consists of orders for nails for Western Canada. In addition, Mr. Rundle has definitely stated that the operation of the Sydney steel mills will continue uninterrupted and that the business will be continued until a suitable reorganization scheme is accepted.

In the meantime, in London, England, two protective committees have been formed to safeguard the interests of the consolidated mortgage bondholders and the preference shareholders. Holders of the 5 per cent. mortgage bonds are invited to deposit their bonds with the Bank of Montreal, whilst holders of the preferred shares are invited to deposit their stock with the Canadian Bank of Commerce. The Dominion Securities Corporation in Canada and Speyer and Company in New York, at the request of the protective committees, are prepared to furnish information about the objectives of the committees.

Although the Dominion Iron plants may obtain an operating profit, yet there is no doubt that the company needs some new capital to make some needed improvements which will reduce costs.

Situation at Sydney

SYDNEY.—No industrial news of the last year has been more joyfully received by the people of Sydney than the announcement by W. E. Rundle that the National Trust Company, as receiver, intends to continue operation as a going concern of the plant of the Dominion Iron and Steel Company.

The people had been repeatedly assured by local authorities that it was to the best interest of the bondholders to keep the plant going as briskly as possible, pending a reorganization; but it required the statement of the receiver to restore local confidence in the future of the industry in this city.

Mr. Rundle made a personal hit with the men when he voluntarily summoned the employees' plant council, told them frankly what he is trying to do and asked for their best co-operation to make operation pending re-organization a success.

F. R. MacKelcan and J. M. Macdonnell, other officers of the National Trust Company, are remaining in the city for the present; Mr. Rundle has returned to Toronto.

Vice-president J. E. McLurg, of Besco, estimates that the plant will operate indefinitely at about the same rate as last year, that is to say about 70 per cent. of capacity.

Whether due to the activities of the receivership, or merely to a coincidence, the nail and wire mills, which had been operating spasmodically up to several weeks ago when they closed down entirely, resumed full operation Wednesday, and have enough business booked to keep them going for four months. This, of course, means a big employment boost. The sales department has been instructed to go out into the markets of Canada and the world and sell all the steel it can.

Meanwhile, local citizens are organizing for a new effort to get better tariff protection on steel and an adequate customs regulation against dumping of steel by depreciated currency countries.

The change in government ended hope of immediate relief from governmental quarters.

The coming general election offers the first chance the people will have to make a direct onslaught on the politicians, and efforts will be made to go over the heads of the local candidates and pledge both Grit and Tory leaders to a policy of adequate protection against cheap foreign steel and depreciated currency countries.

Nova Scotians appreciate very much the excellent condensed history of the coal and steel industries of the province which appeared on the last page of The Financial Post on July 2. To the younger generation, much of it was news; to the older people it brought back into proper perspective important but half forgotten events and dates, all of which have a definite bearing upon the hard situation in which the Dominion Iron and Steel now finds itself.

Canadian Locomotive is Getting Better Business

It is reported that there are sufficient locomotive orders on the books of the Canadian Locomotive Co. to keep operations going at a steady rate throughout the summer and into the autumn. This volume of business has comprised, mainly, the contracts which the company received from the Canadian Pacific Railway some time ago and upon which work has been in steady progress. The company hopes that by the time this order has been completed that the railways will have again come into the markets for locomotive equipment and that these further orders will serve to give the company an added volume of business which will carry operations at a satisfactory rate well on through the winter months.

Quite a while ago the company decided to extend the scope of its activity and working along these lines entered the business of manufacturing mining machinery. Although this department has been developing slowly, it is working out altogether satisfactorily and it is expected that it will be an excellent and profitable division in the future and will do much to round out revenues.

Page-Hersey Earnings Are Running Above Forecast

The Financial Post understands that earnings of Page-Hersey Tubes, Ltd., are running nicely ahead of the forecast made in connection with the recent capital re-organization and that there will be no difficulty in carrying out the dividend program which entails a distribution on the common in October at the rate of $3 per annum. Earnings for the first four months of 1926 were at the annual rate of over $6.50 per share. The common shares have advanced about 10 points on the basis of the market for the old stock at the time of the announcement of the re-organization, but it is regarded as having attractive possibilities as a hold at the present level in view of the company's history. The preferred is selling fractionally above par.

Canada Iron Foundries To Make Paper Machinery

MONTREAL.—A new development has recently been undertaken by Canada Iron Foundries, Ltd., which promises to give the company an increased distribution of its production into the pulp and paper industry. This step involves the taking over of rights for manufacture in Canada of equipment for the pulp and paper industry designed by W. D. Mount. This equipment centres around the recovery of chemicals and there have been several installations in soda and kraft pulp mills recently. The equipment has proven popular in the United States and England. Canada Iron Foundries, through its plants at Three Rivers, Fort William, St. Thomas and Hamilton, has for many years served the industry with a number of its products. William C. Munro, who has been chemical engineer for the Tonawanda Paper Co., is taking charge of the new development for Canada Iron Foundries.

Canadian "Car" Finds Business Much Better

From Our Own Correspondent

MONTREAL.—At the present time the Canadian Car and Foundry Company has about 250 per cent. more orders on its books than it had at this time last year. One of these is for some 70 pullman cars; this contract has been obtained at a price which admits a nice profit. However, shareholders must not anticipate that these profits will all be felt in the current fiscal year, which ends September 30, for delivery of the cars extends up to July, 1927. As they are completed they will be delivered and payment obtained, but the good feature of this contract is the fact that it is one piece of work which will enable the company to hold a portion of its organization together next winter.

In the past the company has found that orders came mostly in summer time, and thus it has always been enabled to make money in the warmer months, but losses have arisen during the winter, as idle plants still have overhead.

For the future it is thought the management will make efforts to obtain its business in a somewhat more even flow, which, incidentally, will have a beneficial effect on earnings.

The Canadian Car and Foundry Company fills some orders other than railroad work, and at the present time is busy with a nice order for castings. In a measure, these other orders act as a buffer for the wide fluctuation of the railway orders.

The Consolidated Mining & Smelting Co. reports ore receipts at the Trail Smelter for the period June 22, to June 30 inclusive, amounting to 16,445 tons, and for the year to date 274,518 tons.

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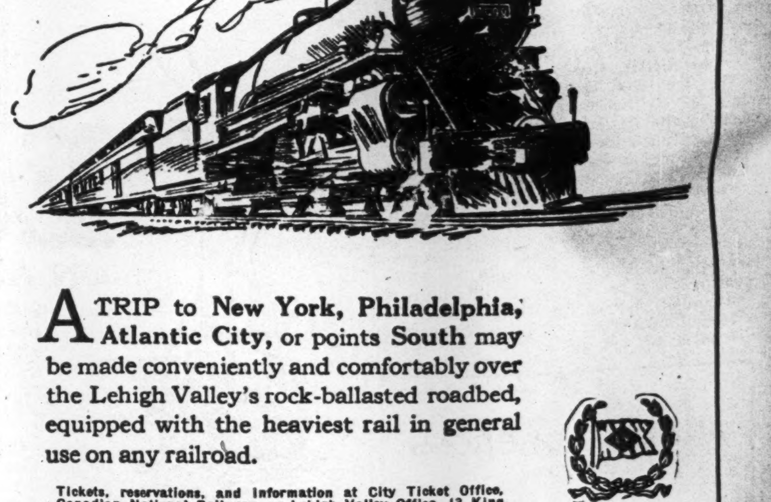
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Food Products

LOBLAW EXPLAINS PRICE POLICY OF HIS CHAIN STORES

Favors Fair Margin on Each Line But Not Fixed Price

Shareholders in the food stocks have followed with interest the controversy with regard to price maintenance which has been to the fore of late. Questioned recently as to his position in the matter, T. P. Loblaw, of Loblaw Groceterias said:

"My heart and soul are with any section of the trade or any organization endeavoring to get a fair margin of profit on each line of goods sold. But the big point is what is a fair margin of profit? I contend that a margin of profit with which we are satisfied would not be satisfactory to the merchant who has an overhead running up from 15 to 20 per cent. So I am absolutly opposed to Price Maintenance as it is proposed by the Canadian Fair Trade League which endeavors to set a minimum price below which no one can cut. Loblaw Groceterias have always endeavored to treat fairly every manufacturer. If they deal right with us we try to do the same with them in respecting their suggested minimum prices. There have been times when it seemed necessary for us to cut below what the goods were costing us, but that was not done from choice. We are always interested in securing a definite margin above invoice cost, but when we are told to sell a line at a certain price when we know that price is higher than we need to make a fair margin of profit, then we must draw the line."

Mr. Loblaw said that apart from the legal side of a large number of manufacturers joining with wholesalers and retailers to maintain 100 or more prices in the way proposed by the Canadian Fair Trade League, he was opposed to the principle of manufacturers fixing their minimum prices at figures higher than his type of business required and added:

"We have no quarrel with the manufacturer who decides to maintain his price right through to the consumer. That is his business and we do not pretend to help him decide his own policy. But we think it is up to him to determine the best method of distributing his goods so that the consumer will get them at the lowest price possible. This in turn speeds up his volume which again gives him the opportunity of lowering his costs and selling at lower prices to the trade. But if the manufacturer of any line should decide on a resale price to the consumer and after investigation we should find another manufacturer making a good quality line, or better, we would not be doing our duty to the general public to pass up such a line, providing we could see an opportunity of selling it to the consumer at a lower price."

National Grocers Effecting Economies in Selling

To conform with the company by-laws, the annual general meeting of the shareholders of National Grocers, Ltd., has been called at Toronto for Wednesday, July 21. The meeting will be immediately adjourned until some time in September when a financial statement for the year to August 31, 1926, will be presented.

Alvar H. Simpson, vice-president of the company, in speaking before the convention of National Grocers, at Rochester recently, stated that the staff of salesmen had been cut by over sixty members, saving over $180,000 per annum. Greater economies of operation were performed in the servicing, accounting, financing and internal departments.

Edmunds President of Christie-Brown Company

Charles E. Edmonds, vice-president and secretary-treasurer of Christie, Brown & Company, has been elected president of the company to succeed the late R. J. Christie.

The new head of the well-known firm of biscuit makers, is well qualified to fill his new position. During the fifty years of his service wth the company, he has risen from baker's boy through the various offices to become its highest executive.

Born in Devon, England, Mr. Edmonds came to Canada as a boy. He joined Christie, Brown and Co. in 1876 as a baker's assistant. Two years later he was transferred to the office and by 1885 he was in financial management of the firm. Mr. Edmonds succeeds to the presidency with an intimate knowledge of the company's affairs.

Atlantic Sugar Getting Good Share Export Trade

MONTREAL.—A dispatch from St. John, N. B., states that official figures recently showed a very marked falling off in Canada's exports of sugar compared with last year, despite which fact, however, the Atlantic Sugar Co. managed to show an increase in exports at a time when there was a decrease elsewhere, as Atlantic's foreign shipments for the first six months of 1925, amounting to 102,000,000 pounds, against 96,000,000 pounds for the corresponding period in 1925. The company's total production of sugar is also ahead of a year ago.

The company's location on the Atlantic seaboard is undoubtedly an important factor in the maintenance of export business.

Canadian Canners Preferred Respond to Market Demand

There has recently been buying of Canadian Canners preferred and the price moved up rather sharply to 67 at the end of the week. Earnings in 1925 were at the rate of 5.27 per cent. on preferred as compared with 5.17 per cent. for the preceding year. The company is in a strong working position. It is the policy of directors to be as liberal from a dividend standpoint as circumstances warrant. The present rate is 4 per cent. and whether an increase to 5 per cent. early in 1927 will be authorized will depend altogether upon the character of the season's pack. It is understood that there is little likelihood of any upward adjustment this year.

Dominion Stores Made Good Sales Record in May

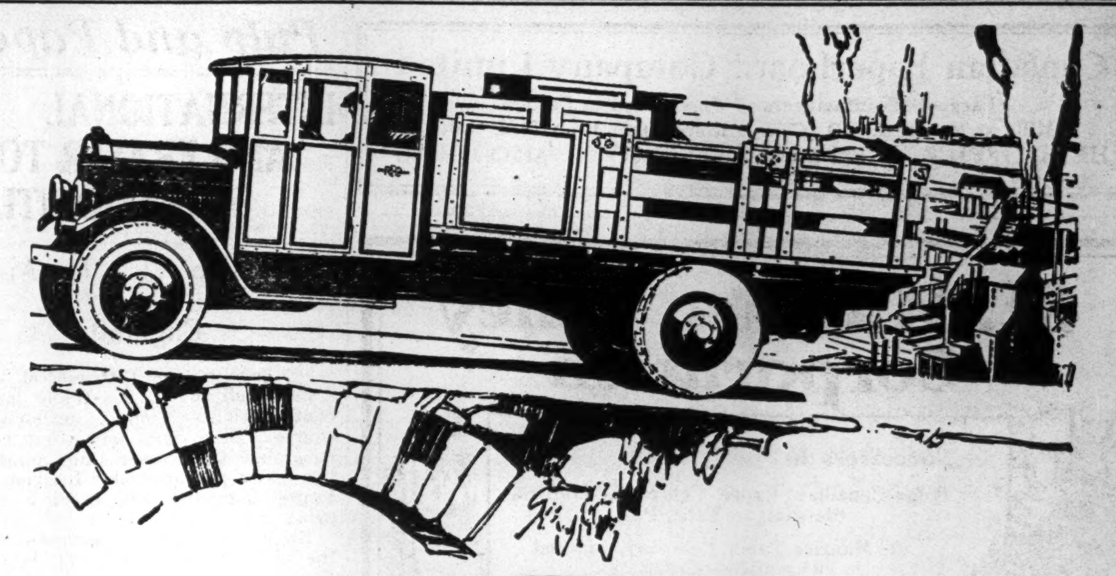
Dominion Stores, Limited, made another decidedly favorable sales record in June, the total being $1,171,167. This compares with $903,147 in June, 1925, an increase of $268,020, or 29.6 per cent. Sales in May were $1,445,538, but May was a five-week month, against a four-week month in June. Percentage comparisons show that June was a slightly better month than May. The increase in May over May, 1925, was 28.8 per cent. Sales for the first half of the year amounted to $7,062,689, compared with $5,512,803 during the first half of 1925, an increase of $1,549,886, or 28.1 per cent.

May Exports of Flour Higher Than Last Year

During May there was a further increase in the amount of flour produced by the Canadian flour millers. The total output of flour during the month was 1,490,825 barrels, which is comparable with 1,415,738 barrels produced in April, and with 1,014,521 barrels in May, 1925. The showing for the first ten months of the current crop year is well ahead of a year ago. For the 10 months flour produced amounted to 16,178,587 barrels against the 15,636,323 barrels. This is an increase of 542,264 barrels. The Canadian mills, ground 6,661,121 bushels of wheat during May, and 72,370,193 bushels during the 10 months. This latter total compares with the 70,258,962 bushels a year ago.

Canadian General Electric Peterboro Plant Speeds Up

Canadian General Electric's plant at Peterborough is running on an improved schedule and has speeded up considerably during recent months. Large orders are being put through in power plant machinery and business has been received from at least one firm which has not in the past relied upon Canadian manufacturers for its equipment.



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Stock Market Record

WEEK ENDING JULY 13

	Div. Rate	Yield July 12	High for wk.	Low for wk.	Close July 13	Close July 6	Sales for wk.	Range, 1926 High	Range, 1926 Low
Banks—									
Commerce	12+1	5.85	225	222½	223	222	61	226	214
Dominion	12+1	6.13	212	211½	212	212	108	219	210
Can. Nationale	10	6.34	157½	157½	157½	157½	1	170	157
Imperial	12+1	6.33	206	203½	206	203⅞	186	215½	200
Montreal	12+2	5.16	271	270	271	270	142	271	251½
Nova Scotia	16	5.44	295	295	295	292	84	300	281
Royal	12+2	5.58	250½	249	250¼	249	109	255⅛	248
Standard	12	6.15	195	195	195	195	30	200	190
Toronto	12	5.45	220	219	219	219	22	222	213
Paper—									
Abitibi, com. (no par)	4	5.29	76½	75	75	76⅛	1459	85½	70¼
Do., pref.	7	6.55	106¾	106¾	106¾	109	10	116	106¾
Belgo-Can. com.	6	6.00	..	...	...	...	...	100	100
Do. pref.	7	7.10	98½	97¾	98½	98¼	177	101	95¾
Brompton (no par)	.	....	31	30	30	30½	1055	35¼	26
Laurentide	6	6.61	91	88⅜	90	88¼	4359	93½	81½
Price Bros. com.	2	2.98	67	67	67	67	50	72	57
Do. pref.	6½	6.50	100	97	100	99¼	326	100	95
Prov. Paper, com.	6+1	6.86	102½	120½	102½	102	10	104	100
Do. pref.	7	6.78	..	...	...	...	...	104½	100
Smith, Howard, com.	.	....	50	49	50	49½	65	54½	38
Do. pref.	8	8.16	98	97	97	98	21	101	92¾
Span. River, com.	7	6.88	102	101½	101½	101¾	425	102	96½
Do. pref.	7	6.14	114⅜	112	114	111¾	408	119	108
Wayagamack	.	....	69½	69½	69½	73	10	83	56
Steel and Steel Industries—									
B. E. Steel, com.	.	....	..	...	...	...	...	3½	¼
Do. 1st pref.	.	....	9½	9½	9½	9⅞	120	30	9
Do. 2nd pref.	.	....	1½	1¼	1½	1½	430	10¾	1
Can. Car & Found. com.	.	....	41	39	41	39	260	49	33
Do. pref.	7	8.45	83	81	83	80¾	339	85¾	73
Can. Fairbanks, pref.	.	....	..	...	...	...	...	60	60
Can. Gen. Elec., com. (par $50)		....	..	...	...	...	...	51	47
Do. pref. (par $50)	7	6.30	56	55	55	55	335	60	53½
Can. Locomotive, com.	.	....	..	...	...	...	...	42	35
Do. pref.	7	8.48	82½	82½	82½	81½	2	89½	73
Canada Iron, com.	.	....	..	...	...	...	...	10	9
Do. pref.	.	....	41	41	41	41	76	42	39
Can. Forgings, pref.	.	....	..	...	...	...	...	50	41½
Dominion Coal	.	....	50	50	50	51	40	52	40
Dominion Iron, pref.	.	....	..	...	...	...	...	24¾	5
Dominion Bridge	4	3.96	101⅞	101	101	102	457	102	86
Dom. Radiator, pref.	7	6.93	..	...	...	...	...	103½	100¼
Dom. Steel Corp., pref.	.	....	16½	16	16½	15	100	25	10⅝
Ford Motor	10	....	..	...	...	...	...	622	500
Massey Harris, com.	.	....	60	52⅞	59½	52¾	726	60	40
Do. pref.	7	7.38	94¾	94½	94½	94½	87	97	93
McKin. Ind. com. (no par)			23	23	23	23	27	26½	15
Do. pref.	7	7.95	89	88	88	90	29	92	88
N.S. Steel, pref.	.	....	..	...	...	...	...	25	25
Ontario Steel, com.	4	5.44	73½	73½	73½	73	95	76	60
Do. pref.	7	7.00	..	...	...	...	...	102	98
Russell Motor, com.	3	....	..	...	...	...	...	42	39
Do. pref.	7	7.86	89	89	89	88¼	5	90	76
Sawyer-Massey, pref.	.	....	..	...	...	...	...	13	5
Steel of Canada, com.	7	6.73	104	103	103	105¼	511	106½	95⅛
Do. pref.	7	6.00	116½	114¾	116½	116½	54	118½	114
Milling and Foodstuffs—									
Arnolds, com. (no par)	.	....	24	23	23	23½	262	26⅝	18
Do. pref.	7	7.73	90½	90½	90½	90	4	92	89½
Atlantic Sugar, com.	.	....	25	24	24½	25	855	33⅞	21½
Do. pref.	.	....	..	...	...	...	...	88	75
B. C. Fishing	5	6.66	76	73½	73½	73½	4485	76	57¼
Canada Bread, com. (no par)	.	....	76¾	75	76¾	77	140	78	53
Do. pref. (A)	7	6.48	108	108	108	109⅞	6	110	105
Do. pref. (B)	7	7.07	99	98¾	99	99	183	100	96¼
Can. Canners, com.	.	....	13¼	12½	12¾	12	457	15	12
Do. pref.	4	6.10	67	62	65½	62¾	990	67¾	60
Canadian Salt	8	5.92	135	135	135	135	1	145	129
Christie Br. com. (no par)	30c.	....	..	...	...	...	...	63½	44¼
Can. Bak. com. (no par)	.	....	32	31⅞	31⅞	34⅞	27	37¾	26½
Do. pref.	7	7.44	94½	94	94¼	93½	97	98½	92⅛
City Dairy, com. (par $25)	12	4.22	71	71	71	71	82	81	67
Do. pref.	7	6.54	107	107	107	107	1	112	107
Cuban Can. Sugar, com.	.	....	3	3	3	3	25	5	3
Do. pref.	.	....	..	...	...	...	...	28	21½
Dom. Stores, com. (no par)	60c.	....	66½	64½	64½	65½	543	68	56
Wm. Davies (A) (no par)	.	....	31	30¼	30¼	30¾	925	37½	29
Inter. Mill. pref.	7	7.00	100	99¾	100	100	30	105¼	99
Lake of Woods, com.	12	8.51	142	140	142	142	65	175	139
Do. pref.	7	6.03	116	115¾	116	116	3	118	115
Maple Leaf Mill, com.	.	....	58	58	58	57	10	88	50⅛
Do. pref.	7	7.34	..	...	...	...	...	102	92
Ogilvie Flour, com.	5	2.74	182	182	182	182	10	200	165½
Do. pref.	7	5.90	118½	118½	118½	119	6	125	117
Pure Gold Mfg. (no par)	50c.	....	18	18	18	18	30	23½	18
Shred. Wheat new (no par)	75c	6.12	49	49	49	49	25	51¼	47½
St. Law. Flour, com.	.	....	41	40	40	40¾	40	45	28
Do. pref.	7	....	..	...	...	...	...	84	82
Viau Bisc., com.	.	....	28	28	28	28	25	28	18
Do. pref.	7	8.04	87½	87	87½	87	111	89	85
Western Gro. com. (new)	.	....	25	25	25	27	27	27	25
Do. pref. (new)	7	....	70	70	70	63	1	70	62
West. Gro. com.	.	....	..	...	...	...	...	13¼	4
Do. pref.	.	....	..	...	...	...	...	64	49
Utilities—									
Bell Telephone	8	5.77	139	137¾	139	138	692	141	136
Consumers Gas	10	5.85	172	170½	171	170¾	225	183⅞	170
Do. rights	.	....	..	...	...	...	...	4.85	3.90
Int. Util. (A) (no par)	87¼	....	32¾	32¾	32¾	32⅛	155	38½	31¾
Cedar Rapids	3	....	..	...	...	...	...	50	40
East. Koot. Pr.	.	....	..	...	...	...	...	32	25
Jamaica Pub. Ser. pref.	7	7.17	97½	97	97	98	63	99¼	96½
Laurentide Power	5	4.67	..	...	...	...	...	110	100
Mackay, com.	7	5.23	134	133	134	133½	193	136	105
Do. pref.	4	5.63	71	70¼	71	70	224	73½	68¾
Mexican Light, com.	.	....	..	...	...	...	...	31⅞	29
Do. pref.	.	....	86	85	86	73½	50	86	64
Mont. L. H. & Pr. Cons.	8	5.57	224¾	220⅛	222	224¾	10810	230	209
Mont. Telegraph (par $40)	3	6.66	48	48	48	49	12	51½	48
Ottawa L. H. & Pr. com.	6	6.23	96¼	96	96	97	32	100	92
Do. pref.	6½	6.40	102	101½	102	101½	78	105¼	100
Quebec Power, com.	5	3.96	127	125	125	127½	65	130¼	113
Do. pref.	7	6.27	111½	111½	111½	115	5	116	109½
Shawinigan	8	3.92	127	203	208¼	203	2383	208¼	167½
South. Can Pr. com.	2 00	2.41	84	82¾	83	82	100	92	82
Do. pref.	6	6.00	100	100	100	100	79	104½	100
Do. rights	.	....	..	...	...	...	...	2	½
Ottawa & Hull Pr. com.	.	....	..	...	...	...	...	30¾	25
Transportation—									
Can. Pac. Rly.	10	6.02	166	165⅛	166	165	177	166	147
Can. Steamships, com.	.	...	18½	18	18¼	18¼	687	20	11
Do. pref.	.	....	71½	69¾	70½	71¼	1065	73¼	56
Do. voting	.	....	18½	18½	18½	18¼	160	19	11
Tractions—									
Barcelona (par $50)	.	....	..	...	...	...	...	36¼	26
Brazilian, com.	5	4.92	102⅝	98¼	102¼	98⅛	52592	102⅝	80
Do. pref.	6	5.98	100¼	100¼	100¼	101	2	102½	97½
Detroit Un. Rly.	.	....	2	2	2	2	165	3½	2
Duluth-Superior	.	....	32½	32½	32½	32½	32	33¼	25
Illinois Trac. pref.	6	....	..	...	...	...	...	96¼	96¼
Mont. Trams.	10	5.71	..	...	...	...	...	178	159
Ottawa Traction	4+1	8.06	..	...	...	...	...	65⅞	60
Porto Rico Rlys. com.	.	....	43½	43½	43½	43½	165	47	40
Do. pref.	7	8.18	..	...	...	...	...	91	85½
Twin City com.	5	7.04	71½	70½	71⅛	70¾	376	79½	68¼
Do. pref.	7	6.79	..	...	...	...	...	103	102¼
Winnipeg Elec. com.	1	....	47¾	46½	47¼	47½	243	54⅞	45¼
Do. pref.	7	7.14	98	97¼	98	97¼	31	100½	95
Textiles—									
Can. Conn. Cotton, pref.	4	....	..	...	...	...	...	49	37
Can. Converters	7	7.77	91	90	91	90	50	94	90
Can. Cotton, com.	8	6.69	119½	116	119½	114	40	124	113
Do. pref.	6	6.31	95½	93½	93½	94	8	99½	93½
Can. Woollens, com.	.	....	..	...	...	...	...	8	5
Do. pref.	.	....	49	49	49	50	50	50	45
Dom. Textile, com.	5	5.34	93½	93	93½	92	605	99⅛	89
Do. pref.	7	6.00	..	...	...	...	...	122	115
Monarch Knitt. pref.	.	....	..	...	...	...	...	50	45
Mont. Cottons, com.	6	5.45	..	...	...	...	...	111	102
Do. pref.	7	6.03	..	...	...	...	...	115	110
Penmans, com.	8	4.31	186	184	186	185	157	190	173
Do. pref.	6	5.79	104½	101½	101½	103⅞	17	104½	101½
Wabasso Cotton	4	6.35	61	61	61	61	105	65	60
General Industrials—									
Am. Salesbk. com. (par $20)	4	6.25	64	62	62	62	50	70	54
Do. pref.	7	7.36	95	94½	95	95	99	98	92
Asbestos Corp. com.	6	....	..	...	...	...	...	110	89
Do. pref.	6	....	..	...	...	...	...	128	109
Do. com. (new)	.	....	19½	18	18½	18¾	1402	24½	17¾
Do. pref. (new)	7	9.58	74	72	73⅜	74¾	970	79¾	62
Bldg. Products	7	8.04	..	...	...	...	...	87	85¼
Brant. Cord. pref. (par $25)	8	7.69	26	25⅝	26	26	319	27½	25⅜
Burt, F.N., com. (par $25)	12	5.26	57	56	56	57	155	67½	50
Canada Cement, com.	6	5.70	105¾	103	105	103¾	493	111½	98
Do. pref.	7	6.14	114	113¼	114	113¼	79	120	112¼
Cons. Rubber, pref.	7	8.00	..	...	...	...	...	87½	86½
Can. Indust. Alc. (no par)	1.28	6.73	19⅝	19	19¼	19½	2587	20	16¼
Crow's Nest Coal	6	9.23	..	...	...	...	...	85	51
Dom. Glass, com.	7	7.60	92	92	92	91½	125	105	85
Do. pref.	7	6.60	106	106	106	106	10	111	105½
East. Theatres, com. (par $25)		.....	25	25	25	25	20	25¼	18¾
Do. pref.	7	7.77	86½	86½	86½	90	20	90	83
Famous Players, com.	.	....	11½	11	11	13	75	18½	11
Do. pref.	8	8.88	90½	89½	90	89½	80	94¼	89
Standard Chem. pref.	.	....	9	9	9	.	10	9	9
Gilman, com.	6	5.55	120	120	120	108	15	120	104½
Do. pref.	7	5.69	..	...	...	...	...	123	113½
Goodyear Tire, pref.	7	7.33	96	94½	96	94½	231	97	85
Holt Renfrew, pref.	7	8.14	..	...	...	...	...	90	85½
King Ed. Hotel	.	....	..	...	...	...	...	41	25
Lyall Construction	.	....	44	44	44	42	65	48	20
Nat. Brew. com. (par $25)	4	6.50	62	61	61⅛	61¼	685	69	56
Do. pref.	7	6.54	..	...	...	...	...	110	106
Nat. Brick, com.	.	....	8	8	8	10	15	12½	8
Do. pref.	7	11.47	61	60	60	64	9	72	60
Pac. Burt, com.	6	6.31	93½	93½	93½	95	1	110	90
Do. pref.	7	6.69	104½	104½	104½	102	5	110	102
Port Hope San. com.	3	3.48	..	...	...	...	...	88	74½
Do. pref.	7	6.71	101¼	101¼	101¼	105	10	105	99
Rogers, Wm. com.	.	....	62	62	62	62	87	67	45
Do. pref.	7	7.56	92½	92½	92½	92	2	97	90
Sher.-Williams, com.	6	4.58	131½	131	131	131	175	137	125
Do. pref.	7	6.14	114	113½	114	112	15	114	110½
Sterling Coal	4	10.12	89½	89½	89½	89½	70	43	37
Tooke Bros. com.	.	....	..	...	...	...	...	8	8
Do. pref.	.	....	57	57	57	57	34	60	55
Tuckett Tob., com.	4	6.45	..	...	...	...	...	65	61¾
Do. pref.	7	6.86	..	...	..	...	...	105	100
Woods Mfg. com.	.	....	47	47	47	48	15	48	38
Do. pref.	7	8.06	..	...	...	...	...	90	77¾
Kelvinator com. (no par)	.	....	17¼	16	16½	17	235	20¼	15
Do. pref.	7	7.65	92	91¼	91¼	91½	48	93⅞	90
Trust and Loan—									
Central Canada	12	5.71	..	...	...	...	...	210	210
Can. Landed (par $50)	10+1	6.07	90½	90½	90½	90½	10	100	90
Can. Permanent	12	5.84	..	...	...	...	...	208½	202½
Colonial Invest.	6	....	..	...	...	...	...	7	4
Hamilton Prov.	10	6.36	..	...	...	...	...	157	157
Huron & Erie	7+½	5.63	..	...	...	...	...	133	127½
Landed Banking	9	6.00	..	...	...	...	...	150	150
Montreal Loan (par $50)	12+1	6.50	..	...	...	...	...	50	50
Nat. Trust	12	5.10	235	235	235	232½	12	245	232½
Ontario Loan (par $50)	11	5.28	..	...	...	...	...	106	103½
Real Est. Loan	7	8.23	..	...	...	...	...	85	85
Toronto Gen. Trusts	12	5.45	..	...	...	...	...	225	220
Toronto Mort. (par $50)	10+1	5.61	98	98	98	100	15	100	93½
Union Trust	7	7.14	..	...	...	...	...	101	98

THE CURB MARKET

	Div. Rate	Yield July 12	High for wk.	Low for wk.	Close July 13	Close July 6	Sales for wk.	Range, 1926 High	Range, 1926 Low
Andes Pete.	.	....	6⅝	6⅝	6⅝	6⅝	100	6⅝	6⅝
Brit. Amer. Oil (par $25)	10	4.71	53⅜	52½	53	53¼	1270	54	47
Can. Oil com.	1¼	....	70	70	70	72	20	75	65
Do. pref.	8	7.40	108	108	108	108	10	108	100
Continental Oil	25c	1.13	22½	21	21	23	133	26	20
Dryden Power (no par)	.	....	11	8½	9½	10	1522	11	5½
East. Eng.	.	....	..	...	...	...	...	2½	1
Good & Worts	6	2.60	230	230	230	235	20	237	193
Imperial Oil	1.00	2.82	36	35	35¼	35½	1372	38½	32½
Inter. Petroleum	75c	2.20	33⅞	32⅛	32¼	33⅞	998	35	29¼
Manitoba Pr.	.	....	40	38	40	38	67	42	24
Newsprint Corp.	.	....	..	...	...	...	...	27	18
Nor. Star Oil com. (par $5)			1.15	1.15	1.15	1.10	6	1.15	.75
Do. pref.	7	....	..	...	...	...	...	4.90	4.05
Simpsons, pref.	6	6.00	..	...	...	...	...	102	99
St. Maur. Val.	.	....	46	45½	46	45	72	53½	40
Toronto R. S.	.	....	1.15	1.15	1.15	1.60	50	1.60	1.10
Volcanic Oil (par $25)	62c.	....	..	...	...	...	...	29	26
Attendu Engine	.	....	39½	32	37	40	1631	48¼	7
Beacon Oil	.	....	18	17	18	17¾	335	19½	14¼
Belding, pref.	7	....	..	...	...	...	...	101	75
Can. Nor. Pr. com.	.	....	..	...	...	...	...	30	29
Cockshutt, pref.	.	....	58¼	58¼	58¼	57½	25	62	57¼
Dom Eng.	.	....	..	...	...	...	...	67	65
Eng Elec. com. (no par)	.	....	..	...	...	...	...	24½	15
Do. pref.	3½	....	..	...	...	...	...	72	59½
Nor. Mex. Pr. com.	.	....	43½	43½	43¼	42¾	25	55	41
Illinois Power pref.	7	....	98¾	98¾	98¾	98¾	10	98¾	96
N. S. Car, com.	.	....	8½	8½	8½	8	25	11	7½
Paton Mfg. com.	.	....	50	50	50	50	100	55	50
Do. pref.	.	....	..	...	...	...	...	98	75
Page Hersey, com. (new)	.	....	49	46¼	48½	46	830	49	43
Do. pref. (new)	.	....	102⅛	101¼	102⅛	101	737	102⅛	100½
Power Corp. (no par)	.	....	..	...	...	...	...	28¼	23
Pressed Metals	.	...	34½	34½	34½	32	25	40	30
St. Law. Pr. (no par)	.	....	36½	36½	36½	37	45	46½	36
St. Maur. Pr.	.	....	..	...	...	...	...	82	74
Un. Sec. com.	.	....	..	...	...	...	...	65	52
Do. pref.	6	5.79	..	...	...	...	...	105	103

A. B. Ormsby Company to Absorb Fireproof Door Co.

The A. B. Ormsby Co., of Toronto, associated with the Metal Shingle & Siding Co. of Preston and Montreal has purchased the Fireproof Door Co., Toronto, and will continue to manufacture the various products of that company. D. S. Robertson, vice-president and one of the founders of the Fireproof Door Co., has joined the Ormsby staff for the purpose of giving his personal supervision to products on which he has specialized for many years. W. S. Cameron will continue in his capacity of vice-president and managing director of the consolidated companies.

GIVES ANALYSIS OF NORANDA

A most complete description and analysis of Noranda Mines has been prepared by Greenshields & Company in a circular letter that has just come to hand. This description deals with the various interests controlled by Noranda, including Plata Mines, Limited, the Gowganda subsidiary recently formed. The history of the Horne property is given in brief compass. The financing programme and the development results up to the issuance of the last interim report are described. The Greenshields circular takes some of the unofficial earnings estimates and shows that the company should be earning large profits after it gets into operation, about one and a half years hence.

ALUMINUM CO. STARTS

MONTREAL.—The Aluminum Company of America will begin production at its new Saguenay plant in this province next September. The initial output, of course, will be small. The company now owns 53-1/3 per cent. of the shares of the Duke-Price Power Company, and power will, of course be obtained from the Duke-Price plant.

UNLISTED SECURITIES

	Bid	Asked
Can. Machinery, com.	5	.
Can. Westinghouse, com.	164¾	167
Cosgrave Brewery	3	4
Dom. Power, pref.	97	99
Farmers Dairy, com.	48	..
Farmers Dairy, pref.	100	102
Dunlop Tire, pref.	71	75
B. Greening Wire, pref.	94	96
Copeland Flour, com.	2	4
Gunns, Ltd., pref.	26	30
King Edward Hotel, Deb. A.	79	81
King Edward Hotel, Deb. B.	59	61
K. & S. Tire, pref.	19	23
Loblaw Groc. pref.	101	.
Loew's Toronto, pref.	85	87
Loew's London, com.	2⅞	3⅝
Pure Food, com.	31	33
Mount Royal Hotel, pref.	38	40
Willard's pref.	69	72
Capital Life 25% paid	23	26
Continental Life 20% Paid	36	..
Crown Life	122	..
Empire Life	22	..
Excelsior Life 25% Paid	50	..
Great West Life	360	..
Imperial Life	260	..
Monarch Life 10% Paid	21	..
Ontario Equitable	24	26
Re-Insurance	24	26
Security Life. 40% Paid	30	34
Sovereign Life, 25% Paid	27	29
Toronto Finance, pref.	5	6
Trusts & Guarantee	74	77

Canadian Paperboard Company Limited

Largest Manufacturers of Paperboard in Canada
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

St. Maurice Valley Corporation

Successors to

Belgo-Canadian Paper Company, Limited, Shawinigan Falls, P.Q.

St. Maurice Paper Company, Limited Three Rivers, P.Q.

Yearly Output—195,000 Tons Newsprint

Head Office:
MONTREAL-QUEBEC

Annual Capacity: 150,000 Tons of Groundwood Pulp. Mills at Chicoutimi and Val Jalbert, P.Q.

Quebec Pulp and Paper Mills
Limited

Executive Office: CHICOUTIMI, P.Q.

Cable Address: "SAGUENAY, CHICOUTIMI"

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE - QUEBEC

PORT ALFRED PULP & PAPER CORPORATION

Newsprint and Sulphite Pulp

HEAD OFFICE:
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MONTREAL, P.Q.

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INTERNATIONAL AND FRASER TO WORK JOINTLY?

Interest in Visit by Archibald Fraser to England

From Our Own Correspondent.

Campbellton, N. B.—While lacking confirmation from authoritative sources, there is a persistent rumor here that the Fraser Companies and the New Brunswick International Paper Company will erect a newsprint mill jointly.

Until these rumors became current, the understanding was that both the Fraser Companies and the International Paper would each erect a 250 ton mill. In order to obtain a site for the latter plant, the International was negotiating for the purchase of land from the Fraser Companies. The International Paper mill was to have an ultimate capacity of 500 tons of newsprint.

Whether negotiations leading to a joint project have taken place is not known, but the partnership of these two companies along these lines would certainly serve to reduce overhead costs.

In the meantime, Archibald Fraser has gone to England and many guesses are being made about the object of his visit; some declare that he has gone to finance, or to purchase machinery for the new mill, whilst the majority of opinion inclines to the belief that he has gone to England in order to open up export markets for the projected newsprint output of the company.

Although the International Paper Company, it is said, will reap but a meagre profit from its contract with the Ontario Hydro Electric Commission, yet the sale of the power coupled with the present bond issue plan is generally regarded as being very clever financing. For although International Paper may not make much profit on the sale of the large block of power, nevertheless, it will save considerably in annual fixed charges by being able to show that the revenue from the Ontario Hydro will cover the bond interest requirements and thus, while the bond issue is in no way any obligation of Ontario or its Hydro Commission, yet the yield must undoubtedly be considerably lower through this valuable connection with a government body.

Anglo-Canadian Paper Starts Building Soon

From Our Own Correspondent

MONTREAL. — Shortly, Frank W. Clarke, who represents the Rothermere interests in the Anglo-Canadian Pulp and Paper Company, will return from England to award contracts for the preliminary construction work on the new mill. It is said that the cost of wharves and dredging, and the preparation of the site at Limoilou, P. Q., on the St. Charles River, will be in the neighborhood of $1,000,000.

The plant's entire production will go to the Rothermere newspapers in England; while, naturally, the added production will be a factor in world markets, yet it will not have the effect of increasing competition for the Canadian mills in the newsprint markets of the U. S.

Dryden Shareholders Advised to Hold Stock

From Our Own Correspondent.

MONTREAL. — The Dryden Paper Company has forwarded a circular letter to the shareholders which reviews the progress which has been made under the receivership.

For the two years ending September 30, 1925, the losses on operation totalled $256,200, after providing for interest on bank loans and bonds. But for the six months ending March 31, 1926, there has been experienced an improvement and, after providing for interest on bank loans and bonds, there was a net profit of $34,875.

The circular also points out that while the results which have been obtained recently are encouraging, yet, nevertheless, there will have to be an even greater improvement in earnings before the company can hope to pass out of the hands of the receiver.

The company at the present time owes almost $1,000,000, composed as follows:

Due bank	$555,000
Due creditors	138,986
And interest on bonded debt to March 31, 1926	252,720
Brings the amount to	$946,706

The circular continues:

"In addition to the amount shown above as owing the bank on old account there was a further sum of $200,000 owing the bank on March 31, 1926, by the receivers.

"At fair value the lands, plant, and other assets of the company, are about $4,500,000 over all liabilities, against 100,000 shares of stock outstanding, but, with conditions as they at present are in this branch of the paper industry, it would be most difficult to find a purchaser for the property that would leave much, if anything, for the shareholders.

"Taking everything into consideration, your directors feel that it would be advisable for the shareholders to retain their stock in the company, rather than accept the prices at present obtainable for same, in the hope of a further improvement in this particular branch of the paper industry."

LAURENTIDE LARGELY BOUGHT

MONTREAL.—The increased price of Laurentide shares which has prevailed of late is said to be due to the fact that large amounts of this stock have been purchased for investment account. It is said that a large amount of this stock has been taken off the market, and that these shares are not likely to find their way back into trading for a long time to come.

PLANT FOR SPANISH RIVER

William Hamilton, Ltd., have been awarded a large contract for hydraulic turbines for the Spanish River Paper Mills Ltd., for installation at their Sault Ste. Marie mills. The first unit will be delivered shortly and after test eleven more will be supplied, to operate under a sixteen foot head. The total installation will drive twenty-four pulp grinders.

Regards Wood as Basis of Canada's Prosperity

MONTREAL.—"If I were fortunate enough to be a Canadian I would regard wood as a matter of Canadian prosperity," said Sir James C. Irvine, principal and vice-chancellor St. Andrew's University, Scotland, and eminent British scientific chemist, following his arrival on the C. P. R. liner Metagama.

"We are just at the beginning of the possibilities of wood. It has now been used for a number of years in the form of pulp for the manufacture of paper, and to-day we are entering a new phase, namely, the use of wood for artificial silk. This, too, is only to be regarded as the first step of a long trip.

"As 70 years ago coal tar was a nuisance, and then dye was based on it, and progress made until to-day the development has assumed huge proportions, so I consider the position in regard to cellulose, which will undoubtedly become a most important form of raw material."

Wayagamack Underlying Bonds Strong on Market

From Our Own Correspondent.

MONTREAL.—The six per cent. bonds of the Wayagamack Pulp and Paper Co. have of late developed strength on the market here and are changing hands around 95. The market appreciation in the issue is but natural in view of the much increased earnings during the last fiscal year and in view of the largely increased assets in, and earning power of, its subsidiary, namely, the Wayagamack News, which has a daily capacity of 200 tons of newsprint.

The position of these bonds is stronger through the issuance of the general mortgage collateral trust bonds but, while these are secured by a bond issue on the subsidiary newsprint company, they are also a general mortgage on the entire Wayagamack properties. Whereas the underlying bonds are in no sense a mortgage on the newsprint plant, yet under existing conditions it would be almost impossible to operate Wayagamack and its subsidiary independently because, from the inception of the newsprint plant, it was intended to operate the sulphate and newsprint mills under one executive control and thus, in some instances, the plants are under the same roof.

Dodge Brothers Preferred Backed by Growing Equity

Strength in Dodge Bros. preference shares is attributed to its relatively high yield—at current levels around 87 it yields more than eight per cent. on its $7 dividend—and also to a recognition of the increasing equities which have been placed behind the issue through conversion of debentures and earnings transferred to surplus, says the Wall Street Journal. It is estimated that during the first year of the present corporation's operations to June 30, last, approximately $30,000,000 to $35,000,000 in equities have been accumulated behind the issue.

Based on record-breaking shipments of cars and trucks during the second quarter of the year and an expected increase in the profit per car due to larger production, it is likely that Dodge Bros., Inc., net profit for the period will closely approximate the record established in 1925, notwithstanding reductions in prices made early this year.

Shipments of cars and trucks from the Toronto factory of Dodge Brothers (Canada) for the first six months of 1926 show an increase of 81 per cent. over the same period of last year and a gain of 36 per cent. over the entire year of 1925. Shipments for June, alone, show an increase of 166 per cent. over June, 1925. Figures for truck shipments taken separately show an even more remarkable comparison with last year. The increase for the month being 210 per cent.; for the six months' period 170 per cent.; and for the six months' period 54 per cent. greater than for the entire year of 1925.

Gold Dust Corporation Benefits by Dalley Deal

Regarding the outlook for Gold Dust Corporation, in which there is considerable Canadian interest, following the absorption of the F. F. Dalley Corporation, A. A. Houseman-Gwathmey & Co., say: Since incorporation of Gold Dust Corporation efforts of the management have been largely directed toward consolidation of manufacturing operations and the effecting of economies, with an eye, of course, to producing greater net returns, but not with an eye to "making a showing." The output of soap and Gold Dust reached high levels in the fiscal years 1919 and 1920 and then took a considerable drop. The low point was reached in the 1924 fiscal year but since then there has been a reversal of trend and a climb toward larger output. In the fall of 1925 Gold Dust Corporation acquired the entire shoe polish business of F. F. Dalley Corporation. It was officially stated some months ago that economies of at least $700,000 a year would be effected by the consolidation of the Gold Dust Corporation with the F. F. Dalley Corporation. No particular effort has been made to make a showing for the stock, but it would seem as if, with the consolidation of the Dalley plant and a completion of the Gold Dust factory at Baltimore, the management is on sound ground for an expression of sales and a consequent expansion of net earnings.

Decrease in Shipments Affects Asbestos Corp.

From Our Own Correspondent

MONTREAL.—Shipments of asbestos in its various forms from Thetford, Black Lake, Robinson and East Broughton, P.Q., during the first half of 1926, have been slightly lower than the shipments during the first half of 1925. It is from these towns in Quebec that the Asbestos Corporation ships its output. While there has been only a marginal falling off in shipments, it seems probable that anything which may have been lost in volume will have been regained through the increased prices at which the mineral changes hands this year.

Although the Keasbey and Mattison mine in this province sells in competition with the corporation, there is no doubt that both companies will endeavor to maintain prices at as high a level as possible. However, the Bell asbestos mine, which is owned by Keasbey and Mattison, is one of the richest in the asbestos territory and thus the competitors of the corporation will, perhaps, have increased their production to some extent, in order to take advantage of the improved prices. This would be but natural.

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Secretary, M. H. HUTCHISON; Treasurer, T. F. McNALLY; Asst. Treasurer, A. C. McMILLAN.

SHEEP INDUSTRY GROWING IN WEST

CALGARY. — The sheep industry in Alberta has made remarkable strides during the past year, according to the assistant general manager of the Canadian Co-operative Growers' Association, who has been studying the situation in the province. He states that he expected the Dominion wool pool would take 1,500,000 pounds of wool this year. From the Calgary district it is estimated 175,000 lbs. will be sent as compared with 150,000 lbs. last year; from Edmonton 150,000 lbs. as compared with 105,000 lbs.; and from Lacombe 65,000 to 70,000 lbs. as compared with 58,000 lbs.

Public Utilities

MONTREAL POWER SPLIT HELPS THE COMMON SHARES

New Basis Will Facilitate Distribution to Consumers

From Our Own Correspondent.

MONTREAL.—The directors of the Montreal Light, Heat and Power Consolidated have decided, subject to the approval of the shareholders, to split the present shares four for one.

As soon as the shareholders ratify the plan, each holder of one share of Montreal "Power" will receive one new six per cent. preferred share with a par value of $50 plus three new common shares of no par value.

The new common stock will pay $2 per annum. Thus, the split-up is equivalent to an increase from eight to nine per cent. on the present stock. The date of the meeting of shareholders will be announced shortly. When the plan is approved, it will be coupled, as in the past, with a reduction in the company's power rates. In addition, the split-up of the stock is being undertaken to allow the company to inaugurate a customer ownership campaign in which there will be sold a limited amount of the new common stock to customers at preferential prices. Probably, each customer will have the privilege of buying from 1 to 20 shares with payments extending over a period of about two years.

The plan of offering its customers shares which will participate in increased future profits has caused some comment, for in most instances public utilities, seeking to distribute their shares amongst their customers, usually sell preferred stock. The new common stock will be sold at a preferential price to the employees of the company also. Shareholders meet soon.

The division of the shares does not affect the shareholders' proportionate interest in the assets in any way. They will meet to authorize the split-up of the stock about July 26. After the shareholders have authorized the exchange of securities, the company will practically immediately commence offering its stock to the customers, who, it is understood, will be able to purchase the common stock at about $5 per share below prevailing market quotations. This stock they will pay for at the rate of $2 per month per share.

At the present time Montreal "Power" has an authorized capital of $75,000,000. of this, some $65,000,000 is outstanding. There are no bonds outstanding other than those of subsidiary companies.

In the past, therefore, the increased earnings of the company have been sub-*divided* amongst the shareholders as a whole.

Rate Fixed on Portion

For the future, one of the interesting points of the forthcoming split is the fact that a portion of the company's capital will bear a definite rate of interest, which will never be increased. Thus at present there is $65,000,000 of par value common stock outstanding, and the new division calls for the issuance of $32,500,000 par value preferred shares, plus 1,950,000 shares of new no par value common stock. In brief, then, half the present outstanding capitalization goes on a permanent fixed dividend basis of 6 per cent., whilst the common shares will benefit through the increased earnings, if, as, and when, that takes place. The shareholders, then, of the new common stock will be situated somewhat more favorably than the holders of the old common stock.

Stock to be Issued

The company still has $10,000,000 of its present common stock in the treasury. Under the new capitalization this would be turned into a total of 400,000 shares, or $5,000,000 par value new preferred, and 300,000 shares of new common. It is thought that about two-thirds of the latter stock will be sold to the employees and to the customers. There has been much figuring regarding the future market valuation of the new shares. Although the new preferred stock is callable at par within thirty days, yet this stock is so well secured that many believe it will sell as high as $55 on the market. Presuming the present price of stock to be $222, and deducting a market valuation of, say, $55 from this figure, there remains $167, which will be divided into three new common shares. This would place a tentative market valuation on the new common of 55-2/3.

First Split in Shares

This is the first split-up of the shares of the Montreal Light, Heat and Power Consolidated. In 1916 the Civic Investment and Industrial Company was incorporated to acquire the Montreal Light, Heat and Power Company, and the Cedar Rapids Power. The holders of the former stock received three shares in the new company for every one in the old, whilst the Cedar Rapids shareholders turned their holdings share for share. The name of the merger company was not changed to the Montreal Light, Heat and Power Consolidated until 1918.

The following table illustrates how rates have always been reduced when the dividend has been increased and how steady has been the rate of reduction over the past 17 years:

Year	Net Rate per Kw. Hr. (cents)	Div. Pd.	—Stock— High	Low
1908	12.75	6	113	85
1909	10.00	6½	136¼	109
1910	9.00	7¾	161¾	120⅝
1911	7.50	8	193½	141
1912	7.00	8½	242½	187
1913	6.40	8½	240	203½
1914	6.00	10	233⅝	211
1915	6.00	10	241	211
1916	5.00	10	250	218
x1916	5.00	4	83	79
1917	5.00	4	82⅞	68½
1918	5.00	4	88½	68½
1919	4.80	5	93¾	84½
1920	4.80	5	90	76
1921	4.80	5	89½	77½
1922	4.80	5	104½	85¼
1923	4.25	6	143¼	103¾
1924	4.00	7	188	140⅛
1925	3.50	8	220	152

xAfter consolidation on basis of 3 shares of new stock for one old.

Brazilian Report Followed by New High Record for Common

Current Reports Indicate That Favorable Showing is Being Continued Into 1926 — Possibilities Are Attractive to Speculative Investors

Brazilian Traction has responded to the publication of the annual report for 1925, and current developments regarded as very favorable to the company's future dividend-wise, by advancing to new high price levels, selling over par by a substantial margin. The advance has been accompanied by optimistic forecasts as to larger dividends on the basis of earnings with talk of a "melon" in the shape of a stock distribution or a split-up of the shares in the not far distant future. Statements from official sources indicate that, both from the standpoint of earnings and foreign exchange, the improvement in the company's affairs should continue, but it is pointed out that already the market has discounted a considerably higher dividend rate than that now prevailing. As to the possibilities of a "melon" the more conservative opinion is that this would hardly be justified until a higher dividend rate —say eight per cent.—coud be established on a reasonably permanent basis. From the standpoint of physical performance the company was never in a better position, having just completed extensive additions to its power facilities financed largely out of revenue. At the same time the economic position of the country is improving in what is regarded as a healthy manner under more favorable political conditions. Prevailing rates for some of the company's public services are not satisfactory, but recently some increases in telephone rates have been granted and other adjustments which should be reflected in net earnings are being looked for with considerable confidence.

The annual report showed substantial increases in both gross and net earnings and in the amount available for distribution on the common shares. After all charges there was shown $7.18 per share on common, compared with $6.60 in the previous year, and $5.94 in 1923. The increase in gross was almost 16 per cent. and in net. before depreciation, something over five per cent.

Gross earnings from operation amounted to $31,243,759 compared with $26,936,767 for 1924, and $24,184,741 for 1923. After paying expenses, fixed charges, etc. the net revenue amounted to $8,255,286 compared with $7,638,917 for 1924 and $6,929,965 for 1923. After paying dividends and adding $3,000,000 to reserve the balance was increased from $5,683,887 to $6,075,907. Following are comparative figures from the income account for five years:

likewise satisfactory. Mr. Smith gives it as his opinion that the power problem of both Rio de Janeiro and Sao Paulo has been solved for many years to come.

The board regrets to state that, except in the case of the telephones in the city of Sao Paulo, the Brazilian authorities have not yet dealt with the question of increased rates for the companies' various services. Further heavy expenditure is needed for extensions and additions, and rates must be increased in order to produce the additional revenue required for the remuneration of the existing as well as the new capital. The companies have made every sacrifice to maintain a good service and to comply with their contractual obligations, and will continue to press upon the Brazilian authorities the necessity of affording suitable relief.

The President's Comments

Sir Alexander Mackenzie, the president of the company, in his report, covers a number of phases of the operations of the subsidiary companies which will prove interesting to shareholders. But competition, which has existed in Rio de Janeiro for some years on a comparatively small scale, having become more pronounced, it was decided to extend the company's bus service. Accordingly 28 buses of the latest type were ordered and will shortly be placed in service. In spite of bus competition, the number of passengers carried by the company's tramways shows substantial increase both in Rio de Janeiro and Sao Paulo.

"From all points of the system there are insistent demands for the extension of the service," adds Sir Alexander, "and while the company has continued to comply with its strict contractural obligations, development has been retarded mainly owing to the protracted negotiations with the authorities for the granting of remunerative rates. In the federal district of Rio de Janeiro a new concession was made in 1922 under which the company expected to be able to develop and greatly extend the service. This hope was dashed in the following year when under the orders of a new government an action was brought in the municipal court to annul the concession on the ground of alleged unconstitutionality of the legislative act authorizing same. In December last judgment was given in favor of the municipality. The company appealed to a higher court which it is confidently expected will reverse the decision of the trial judge. Meantime, although the new concession and the rates fixed therein remain in full force and effect, it has not been possible to undertake the large

Income Account

	1925	1924	1923	1922	1921
Total revenue	$17,527,506	$16,719,773	$15,419,964	$16,417,251	$12,168,673
Reserve for dep.	4,807,980	4,238,848	4,047,040	3,941,393	3,224,578
Bond interest	4,391,087	4,709,785	4,654,983	5,052,961	4,534,038
Balance	$8,328,439	$7,771,140	$6,717,941	$7,422,897	$4,410,057
Interest in invest.	520,155	478,381	792,518	450,064	127,657
Gross revenue	$8,848,594	$8,249,521	$7,510,459	$7,872,961	$4,537,714
Expenses	293,308	310,604	280,494	720,993	1,000,033
Amortization	300,000	300,000	300,000	300,000	300,000
Net revenue	$8,255,286	$7,638,917	$6,929,965	$6,851,968	$3,237,681
Balance forward	5,683,887	5,907,758	6,840,270	5,719,813	3,082,132
	$13,939,173	$13,546,675	$13,770,235	$12,571,781	$6,319,813
Pref. div.	600,000	600,000	600,000	600,000	600,000
Com. div.	4,263,266	4,262,788	4,262,477	2,131,511	....
Reserves	3,000,000	3,000,000	3,000,000	3,000,000	....
Balance	6,075,907	5,683,887	5,907,758	6,840,270	5,719,813
	$13,939,173	$13,546,675	$13,770,235	$12,571,781	$6,319,813

Improvement is Continued

The increase in earnings shown in the annual report is evidently being continued into the current year to judge from the monthly reports of earnings being issued. From the following summary of gross and net figures for the five months of 1926, it will be seen that there has been consistent improvement. In May the net was about $630,000 greater than for May of last year.

phones for the service of the prefecture. expenditure which would have to be incurred in order to meet the requirements of the public.

"In the city of Sao Paulo, after several years of negotiations, a new concession has just been granted, which puts the company in a position to proceed with the development of the service. The rates have been fixed for a period of four years, and thereafter are subject to revision every five years. The amount of the capital already expended has been approved and subsequent expenditure will be approved each year. The rates are intended to produce a return on capital not exceeding 12 per cent., after making adequate provision

Five Months of 1926

	Gross Earnings 1926	Gross Earnings 1925	Operating Expenses 1926	Operating Expenses 1925	Net Earnings 1926	Net Earnings 1925
January	$3,163,670	$2,494,194	$1,371,382	$1,000,701	$1,792,288	$1,493,493
February	2,893,557	2,207,359	1,214,770	923,017	1,678,787	1,284,342
March	3,077,791	2,344,123	1,314,448	998,196	1,763,343	1,345,927
April	3,021,732	2,194,295	1,306,360	946,417	1,715,372	1,247,878
May	3,381,959	2,282,198	1,431,382	959,984	1,950,677	1,322,214

Assets Over $275,000,000

Brazilian is now approaching a $300,000,000 undertaking. The total assets as shown in the balance sheet at the end of 1925 amount to $275,391,263, an increase of nearly $10,000,000 during the year. Following are comparative figures from the balance sheet for the past five years:

for depreciation. The company is free from all municipal taxes and makes no contribution to the municipality other than a specified number of free telephones. Altogether the concession is fair both to the company and the public, and will, it is hoped, serve to facilitate agreements with other municipalities."

Assets

	1925	1924	1923	1922	1921
Property account	$131,603,183	$122,607,215	$117,678,485	$ 94,301,954	$ 91,253,021
Investments	6,755,853	6,063,543	5,408,031	4,775,914	4,181,582
Current assets	17,971,864	18,516,159	16,073,607	15,797,141	19,003,492
Advances to co's owned	68,256,436	67,804,058	67,417,072	85,320,581	84,788,144
Rights, franchises, etc.	50,803,926	50,778,960	50,808,854	50,489,484	50,489,484
Total assets	$275,391,263	$265,769,935	$257,386,049	$250,685,074	$249,715,723
Liabilities					
Capital	$116,593,300	$116,592,100	$116,591,800	$116,592,100	$116,590,300
Funded debt	68,021,826	68,335,277	68,633,737	68,918,146	76,688,908
Current liabilities	10,241,647	7,917,288	6,376,636	5,707,349	5,415,959
Reserves	74,313,170	67,095,971	59,730,706	52,481,796	45,155,331
Surplus	6,221,320	5,829,299	6,053,170	6,985,682	5,865,225
Total liabilities	$275,391,263	$265,769,935	$257,386,049	$250,685,073	$249,715,723

Increased Power Supply

The directors report that, as a result of the measures taken to increase the power supply in Sao Paulo, rendered necessary by the severe drought in 1924-1925, two new installations have been completed, a 25,000 horsepower unit at Sorocaba and a 32,000 horsepower development at Rasgao, and the first two units of 80,000 horsepower in connection with the Serra development will be ready for service before the end of 1926. The installations mentioned, taken in conjunction with the earlier installations at Parnahyba and Sorocaba, provide a total installed hydraulic capacity of approximately 220,000 horsepower. Moreover, by the construction of the additional reservoirs included in the approved project, the Serra plant can be economically increased to a total capacity of over 240,000 horsepower. For Rio de Janeiro and vicinity the situation in regard to power supply is likewise satisfactory. Mr. Smith gives it as his opinion that the power problem of both Rio de Janeiro and Sao Paulo has been solved for many years to come.

Outlook for Detroit United Unpromising

From Our Own Correspondent.

MONTREAL.—Although it is impossible to say that shareholders of the Detroit United Railways can kiss goodbye to their investment, yet there is a dark picture painted by the two reports, recently issued by the receiver, which show the earnings during 1925 and for the first quarter of the present year. During the latter period the company earned $171,980, available for interest on its securities; this figure compares with bond interest requirements of $300,521, which leaves a net loss on the quarter, before receivership costs, of $182,541. For the full year 1925 the situation was much the same. For the three months, ending March 31 last, interest was earned only .39 times, whilst for the full year preceding it was earned only .36 times.

The income account figures over the past two years compare as follows:

	1925	1924
Gross revenue	$10,092,352	$8,838,452
Oper. expenses	8,091,463	7,275,797
Oper. income	2,000,889	1,562,655
Other income	169,836	214,508
Total income	2,170,725	1,777,163
Depreciation	1,077,527	(a)
Taxes	642,682	592,056
Interest	1,254,910	1,033,723
Net income before Receiver costs	(b)804,393	(c)151,384

Notes—(a), not reported; (b), deficit; (c), before depreciation.

Another statement of the operations of subsidiaries, including Detroit-Almont and Northern R. R., Detroit United Railway Trucking Co., and Detroit United Realty Corp., shows first quarter, 1926, revenue at $901,547, operating expenses $813,911, and available for interest $126,381, against interest charges of $171,626, indicating interest earned .74 times, and less before receivership costs of $45,245. On this basis for the year 1925 gross was $3,947,895, operating expenses of $2,966,049, total income $1,151,682, and net loss before receivership costs of $190,569. In this case also interest was earned .74 times.

Public Utility Earnings

Ottawa and Hull Power

June—	1926	1925	Incr.
Gross	$32,019	$26,979	$5,039
Operating	7,023	6,168	855
Net	$24,996	$20,811	$4,184
10 Months end. June—			
Gross	$315,816	$310,878	$4,937
Operating	68,874	64,578	4,296
Net	$246,941	$246,300	$ 641

Capital: $1,000,000
Reserve: 350,000
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covering
Wills and Trusts
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Real Estate and Investment
Registrar and Transfer Agents
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Growth of International Pete Will Now be More Gradual

Big Pipe Line Undertaking Brought to the Operating Stage — Market Outlook Good Despite Large Number of Shares Outstanding

With the completion of the 400-mile pipe line in the foothills of the Andes mountains, important development work in connection with the Standard Oil interests in South America has been brought to the production stage and should be reflected in the earnings of International Petroleum Company, Ltd., the subsidiary of Imperial Oil, Ltd., which has been carrying on the project. Although International Petroleum was incorporated only in August, 1920, and has undertaken intensive development only during the past three years, its potential production in Colombia and Peru has already attained a daily average of 60,000 barrels, its rapid expansion has been made commercially possible because of the tremendous increase in the consumption of petroleum products by automobiles.

The principal Colombian development has been on the famous De Mares Concession—a tract that covers two million acres, which were acquired when the former International Petroleum Co. merged with the Tropical Oil Company in 1920. In addition, the company has acquired the right to develop up to approximately half of the British Controlled Oilfields, Ltd., acreage which covers over two thousand square miles in the San Juan district.

International Petroleum is primarily a producing company, although it owns two small refineries, one at Talara, Peru, and another at the receiving end of the new pipe line at Cartagena, Colombia. It also owns and operates 10 tankers and has storage facilities and loading stations in Peru and Colombia and through a number of distributing stations, serves the local trade as well as exporting to Chile, Ecuador and Panama.

Based on current quotations, the outstanding shares of International Petroleum have an aggregate valuation of over 240 million dollars. In the absence of official earnings reports, earnings to date can only be gauged by dividends which reached their highest point in 1924 when about 5.5 million dollars were paid out to stockholders. With the conservative dividend policy characteristic of the Standard Oil management, it can be assumed that actual earnings were greatly in excess of this amount. It must be further considered that this income was derived almost exclusively from the Peruvian operations. The huge Colombian reserves, considered by some authorities to exceed the most prolific Mexican sands, have been readily accessible to the world's oil markets only recently with the opening of the company's new pipe line.

International Petroleum has outstanding 7,123,544 common shares and $500,000 preference stock, par $5. The majority of the stock is owned by the Imperial Oil Company. Preference and common shares rank alike as to dividends, the former have preference as to assets. There is no funded debt. Following is a summary of the market record of the common stock in recent yaars:

MARKET RECORD

	High	Low
1926	35	28¼
1925	35½	22¾
1924	24¾	16¾
1923	24⅞	13¼
1922	27¾	14
1921	17¾	9⅛
1920	18½	14

Dividends—In 1918, 20% was paid; 1919, 20 per cent; 1920, 10 per cent. and 100 per cent. subscription rights at $5 per share; 1921, 25c. per share; 1922, 50c. per share; June 30, 1923, Jan. 2, June 30 and Nov. 29, 1924, and April 30, 1925, 25c. per share.

The action of the market indicates that the actual bringing into operation of the new facilities has been largely discounted. In referring to the outlook for the stock, Arthur M. Leinbach, in the Magazine of Wall Street, says:

From this point on, the exploitation of the Colombian reserves will no doubt continue slowly and surely—at least to the extent that intelligent oil field exploitation can be coupled with surety on proven acreage. Although the large number of shares outstanding mitigate against speculative stock market advances, a gradual growth in value over a period of years may be reasonably expected.

The following information as to the company's history is also given in Mr. Leinbach's article:

Drilling in the Colombia concessions started in 1918, prior to acquisition by International. The latter company undertook an intensive geological survey and exploration and has laid the ground work for a tremendous exploitation project. The actual drilling started last year in a large way with the result that over fifty wells were opened up, giving the company the most unusual drilling record of a total of about 70 wells with not one single dry hole and a potential production of about 40,000 barrels on the daily average in the Colombian fields.

To date, Standard Oil's investment in this project is close to 100 million dollars. The Tropical Oil Co. shares were acquired by an exchange of 1,804,500 shares of International Petroleum stock worth over 60 million dollars at the current market price. In addition, 20 million dollars were spent in development work, exploration and test drilling and the new pipe line with its terminals and loading facilities represents another 15 million dollar expenditure. The original investment of the company in Peru represents the balance of the capital which consists of an authorized issue of 19.9 million shares of no par value with 7.1 millions outstanding. Control of the corporation rests with a small issue of preferred stock, which, together with about 60 per cent. of the common, is owned by the Imperial Oil Co., Ltd.; this company in turn is controlled by Standard Oil Co. of New Jersey, through ownership of 80 per cent of the outstanding stock.

The Standard Oil Co. of New Jersey has been using the Peruvian crude oil of its subsidiary for the past few years under a purchase contract that was originally for 10,000 barrels a day. In the entire Appalachan district, the total daily average output is now about 75,000 barrels with practically no prospect of increasing the supply of this high quality oil, in view of the fact that no new wells have been sunk in this old district for the past fifty years. It is reasonable to assume that Standard of New Jersey will take more crude from International's Peruvian wells as production increases, because the quality is equal to the best Pennsylvania grade petroleum.

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Making Survey to Decide Deal for Anticosti Island

MONTREAL.—Two groups of men are engaged in a survey of the Island of Anticosti in order to secure definite information that would place the management of Wayagamack Pulp & Paper Company in a position to decide definitely whether to purchase the limits or not. Meanwhile the kraft pulp and wrapping paper earnings of the comany are making an excellent showing, even better than one year ago, while the output of the new newsprint mill is being extended month by month as the "tuning up" process develops.

St. Lawrence Paper Mills Earns at Record Level

From Our Own Correspondent.

MONTREAL.—The St. Lawrence Paper Mills Company, it is understood, has been making net earnings of over 100,000 monthly during the past seven months. The fiscal year ended on June 30 and shareholders are awaiting with interest the results which will be printed in the forthcoming annual report. Naturally the company's earnings will show a very decided increase from those of the preceding year, for the 100-ton sulphite mill was completed during this year's operations, and the earnings from this source will be substantial, as the completion of the mill coincided with an improvement in the chemical pulp markets.

It is obvious, therefore, that the net will be around the $1,000,000 mark, as compared with $868,469 in the 1925 year. The 150-ton addition to the newsprint mill will be completed by October.

Steel Demand Reported Unusually Good for July

Industrial suspensions due to lack of orders are more rare now than in the earlier months of the year in spite of the fact that the mid-year period generally sees some slowing down in business and some lessening also in the urgency for deliveries. The only marked interruptions in production now are being caused by shut-downs for repairs and replacement work and the incidence of holidays, says Canadian Machinery.

Sellers report that in both semi-finished and finished steel, market demand is unusually good for July. Buyers who covered for their third quarter needs are specifying regularly and in large amounts, while spot demand is being maintained.

Reports are common that lower pig iron prices will shortly be secured by those users who are "shopping" for their requirements and buying only as their order books dictate. The eastern Canadian market appears to be in a stronger position than that of Ontario, as some anticipation of higher iron prices is heard in Montreal, but in Ontario the tendency is downward, and there are reports of lower prices already having been done.

GILMAN PREFERRED STRONG

Gilman Fanfold preferred selling at 125 reflects the privilege of conversion to common stock. The benefits derived by F. N. Burt preferred holders who had this same privilege are no doubt being kept in mind by shareholders and investors generally.

Public Utilities

Balance Consumers' Gas Issue Offered by Tender

Tenders are being asked by Consumers' Gas Company for 892 shares of the company's capital stock. The stock is the unallotted shares arising out of the issue of May 15, 1926, of which the directors allotted one share of new stock at $150 for each five shares held. No fractions were allotted, and the present offering is made up of the fractional shares and those which the shareholders did not subscribe for. Total capital outstanding on that date amounted to $10,000,000, and the issuing of one share for five would increase this by $2,000,000, or 20,000 shares of $100 par value. As the company only has 892 shares for sale, it is quite evident that the shareholders took full advantage of the offer to purchase additional stock at $150.

In February, 1925, the company offered stock to the shareholders at $140 on the basis of one for five, and after the allotments had been taken up there remained 1,229 shares to be sold against 892 at the present time.

Two Ottawa Power Co.'s Earnings Are Mounting

From Our Own Correspondent.

MONTREAL.—Earnings of the Ottawa and Hull Power Co. and its subsidiary, the Ottawa River Power, have shown month by month an increase as compared with the earnings of last year. The fiscal year of the Ottawa and Hull Power ends on August 31 and shareholders may, therefore, anticipate an increase in the earnings applicable to their shares. Last year, earnings available for preferred stock dividends amounted to $138,118 as compared with dividend requirements of $105,000.

The company and its subsidiary are practically operated as one unit and it is, therefore, impossible to differentiate between the earnings of each company. To meet various operating requirements, loads are supplied by either one of these companies, whichever suits the need of the moment best.

The plant of the Ottawa River Power Co. only commenced operations about 14 months ago and while this plant has installed one unit of 22,500 horsepower, or one-third of the capacity for which the plant and dam have been built, yet its earnings are assured under a 30-year contract with the parent company for the sale of sufficient power to ensure operating, maintenance, sinking fund and all bond interest requirements. The value of the common shares of the subsidiary, therefore, depends upon how soon the demand for power in the territory served will be sufficient to allow the installation of the remaining two turbine generators.

The earnings of the Ottawa and Hull Power Company for the month of June appear elsewhere in this issue, and, whilst only a slight increase is seen in the ten-months' period, yet the results experienced last month indicate that from now on the improvement in earnings will show a greater increase.

The financial position of the company and its subsidiary is healthy; there follows a consolidated balance sheet of both companies as at June 30 last; the close of the fiscal year is at the end of August.

CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 1926, OF OTTAWA AND HULL AND OTTAWA RIVER POWER COMPANIES

Assets		
Plant investment		$4,433,552
Investment in subsidiary companies		270,000
Advances to subsidiary companies		100,000
Cash	$3,505	
Call loans	$85,000	
Accs. rec.	$54,425	142,930
		240
Prepaid accounts		$4,946,728
Liabilities		
Preferred stock		$1,500,000
Common stock		125,000
Funded debt		2,500,000
Accounts payable		....
Accrued bond interest		62,500
Accrued charges		4,526
Reserves		629,553
Profit and Loss		125,143
		$4,946,723

Gas Sales in Canada Continue to Increase

From Our Own Correspondent.

MONTREAL.—That the business of manufacturing and distributing gas is considerably more than maintaining its place was the optimistic statement of J. J. Humphreys, president of the Canadian Gas Association, at the 19th annual convention. Dealing with the state of the coal gas business Mr. Humphreys declared:

"Some of the figures which have brought me to this cheerful state of mind are on this list of remarkable increases in Canadian gas sales: Montreal, 658 per cent. increase over year 1900; Toronto, 650 per cent. over 1900; Vancouver, 1,664 per cent. over 1905; Quebec, 723 per cent. over 1905; Victoria, 518 per cent. over 1905; Guelph, 314 per cent. over 1905; Winnipeg, 300 per cent. over 1905; London, 270 per cent. over 1905; Ottawa, 288 per cent. over 1910; Peterboro, 200 per cent. over 1912."

Mr. Humphreys spoke about the possibility of the establishment of coking ovens so that the central area of Canada might become independent of U. S. anthracite. He declared:

"If the Canadian government's desire for economic smokeless fuel independence is constructive and not merely political, it is the duty of the gas companies to further this end by making more coke for the smokeless fuel market, receiving such governmental assurances and abatements as shall be necessary to make the coke business surely profitable."

Northwestern Utilities Makes Big Gain in Year

From Our Own Correspondent.

MONTREAL.—For the twelve months period ending May 31, 1926, the Northwestern Utilities showed a very substantial increase in both gross and net earnings. The net, before depreciation and depletion, totalled $185,526 which compares favorably with $77,553 for the preceding year.

Although the increase is decidedly handsome, yet under its operating franchise, the company is obliged annually to apply a large percentage of its net income to insure that the supply of natural gas is made continuous. Thus, although a goodly portion of the earnings are going back, either into cash reserves or into drilling new wells, the company's position is becoming the stronger.

Winnipeg Electric Entering New Period of Prosperity

There is every indication now that the Winnipeg Electric Co. will have its street railway franchise renewed for at least five years, in the opinion of Watt and Watt. This comes at a time when the West is returning rapidly to prosperity, when financial rehabilitation of the western farmer and business man has been in large measure established once more and when an era of industrial expansion in the extensive territory served by the company's hydro-electric plant has set in.

MONTREAL WATER INCREASE

MONTREAL. — The Montreal Water and Power Company has again increased its dividend rate by the declaration of a disbursement of 62½ cents for the quarter just ended. The new rate amounts to $2.50 a year or 10 per cent. on the par value of the $25 common stock.

The company has, and is, making steady progress and the increased rate of dividend had long been anticipated and discounted.

OTTAWA-MONTREAL EARNS MORE

MONTREAL.—It is understood that the monthly earnings of the Ottawa-Montreal Power Co. have been showing increases as compared with last year. The fiscal year of this company ended on June 30, and thus, in the forthcoming annual report it is probably safe to forecast that earnings over the past year will compare favorably with those experienced during the preceding 14 months' period.

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DOMINION IRON AND STEEL COMPANY LIMITED

(Incorporated under the Laws of the Province of Nova Scotia.)

To the holders of the Five Per Cent. Consolidated Mortgage Bonds (Sterling Series).

A Receiver having been appointed of the property of the Dominion Iron and Steel Company Limited, we the undersigned, at the request of holders of considerable amounts of the above-mentioned Bonds, have agreed to act as a Committee for the protection of the interests of the Bondholders.

It is of the greatest importance that Bondholders should deposit their Bonds with us at as early a date as possible, and we have accordingly arranged with the Bank of Montreal to accept deposit of Bearer Bonds at its offices at Toronto, London, New York and Montreal, for account of the Committee as from time to time constituted under the Deposit Agreement mentioned below. Registered Bonds can also be deposited subject to the same being first converted to Bearer.

Transferable deposit receipts will be issued against deposited Bonds duly stamped with British Stamp duty.

Copies of the Deposit Agreement, and lists and forms of deposit can be obtained at the office of the Bank of Montreal.

Any further information may be obtained on application to the Secretary of the Committee, John A. Roney, 5, London Wall-buildings, London, E.C.2.

Dated July 8th, 1926.

ARTHUR OWEN CRICHTON.
WALTER THOMAS LAYTON.
CLAUD PEARCE SEROCOLD.
ALAN RAE SMITH.

DOMINION STEEL CORPORATION LIMITED

(Incorporated under the Laws of the Province of Nova Scotia.)

To the holders of the Six Per Cent. Cumulative Preference Stock.

A Receiver having been appointed of the property of the Dominion Iron and Steel Company Limited, in which this Corporation is so largely interested, we the undersigned, at the request of holders of considerable amounts of the above-mentioned Preference Stock have agreed to act as a Committee for the protection of the interests of the Preference Stockholders of Dominion Steel Corporation Limited.

It is of the greatest importance that Preference Stockholders should deposit their Stock Certificates with us at as early a date as possible, and we have accordingly arranged with the Canadian Bank of Commerce to accept deposit of Preference Stock Certificates at its offices at Toronto, London, New York and Montreal, for account of the Committee as from time to time constituted under the Deposit Agreement mentioned below.

Transferable deposit receipts will be issued against deposited Stock Certificates duly stamped with British Stamp duty.

Copies of the Deposit Agreement and lists and forms of deposit can be obtained at the office of the Canadian Bank of Commerce.

It is proposed to invite a representative of the Dutch and the Belgian Stockholders to join the Committee.

Any further information may be obtained on application to the Secretary of the Committee, J. B. Vignaux, 80, Bishopsgate, London, E. C. 2.

Dated July 8th, 1926.

BERNHARD HEYMANN BINDER.
RALEIGH BULLER PHILLPOTTS.
ERNEST GUY RIDPATH.

Dominion Securities Corporation, Ltd., at the request of the above committees, are prepared to furnish information in relation to the above calls for deposits on application at their office 26 King Street, E., Toronto.

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NAVY CUT
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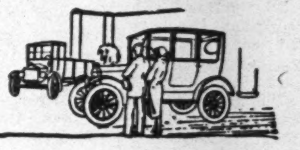

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The Consumers' Gas Company of Toronto

TENDERS FOR STOCK

Tenders will be received by The Consumers' Gas Company of Toronto, at its office, 19 Toronto Street, Toronto, until 9 a.m. of the 19th day of July, 1926, for the purchase of 892 shares of the capital stock of the Company, having a par value of $89,200.00, consisting of unallotted and unaccepted shares arising out of the allotment of 15th of May, 1926.

Every tender shall be for the purchase of the whole of the said 892 shares, shall specify the price offered per share, and shall be in writing, enclosed in a sealed envelope, marked "Tender for Shares" and addressed, "The Consumers' Gas Company of Toronto, 19 Toronto Street, Toronto." and the name, address and occupation of the tenderer shall be given. An accepted cheque on any of the chartered banks of Canada, payable at par in Toronto, for 10 per cent. of the full amount of the tender shall accompany the tender, and the balance shall be paid within three days (exclusive of Sundays and holidays) from the date of mailing notification of acceptance.

Tenders may be accepted at any time before 6 p.m. of the 20th of July, 1926, and notice of acceptance may be given by registered post, addressed to the tenderer, and mailed in Toronto not later than the 22nd of July, 1926.

Cheques accompanying unaccepted tenders will be returned to the tenderer.

These shares shall from and after the payment thereon of the purchase money in full participate in dividends declared after the 1st of July, 1926, calculated from the date of the payment in full of the purchase money.

The tenderer whose tender is accepted may pay to the Company interest at the rate of 10 per cent. per annum on the par value of the shares purchased for the period from the 30th of June, 1926, to the date of payment of the purchase price in full, and in such case the shares will then be entitled to payment in full of dividends declared after the 1st of July, 1926.

Dated at Toronto this 12th day of July, 1926.

THE CONSUMERS' GAS COMPANY OF TORONTO
ARTHUR HEWITT,
General Manager.

The Investment History of the C.P.R.

Company Has Never Failed to Earn Its Dividend of 10% —Large Income From Other Business Enterprises

By RIELLE THOMSON, (Eleventh Article)

IT MIGHT help us to understand the financial position of the Canadian Pacific Railway, if we take a look at the sources of income and the doors of outgo of the company.

Here is the income and expenditures statement for 1925:

*Income From Railways and Lake Steamers	
Gross earnings	$183,356,005
Work. Exp. (incl. all taxes)	143,201,229
Net Earnings	$ 40,154,775
Deduct Fixed Charges	14,438,517
Surplus	$ 25,716,258
Contribution to Pension Fund	500,000
	$ 25,216,258
Dividends on Preference Stock	4,005,944
	$ 21,210,314
Dividends on Common Stock	18,200,000
Net Surplus for Year	$ 3,010,314

*Pays 7 per cent. on common stock.

*Special Income Account	
Net Rev. from Inv. and Avail. Resources	$ 1,755,003
Int. on Deposits, and Int. and Div. on Other Securities	3,313,248
Net Earn. Ocean and Coastal Steamship Lines	2,881,651
Net Earnings Commercial Telegraph & News Dept., Hotels, Rentals and Miscellaneous	3,407,471
	$11,357,374
Dividends	5,850,000
	$ 5,507,374

*Pays the remaining 3 per cent. on common stock.

Gross earnings include all revenues from freight and passengers on trains and on steamers on the Great Lakes. Working expenses includes all wages, salaries, coal, etc. Net earnings are shown to be $40,000,000.

Profit and Loss Account

From total net earnings from railway and lake steamer operations, there was deducted $14,438,517 in fixed charges. Of this sum, a total of over $11,000,000 went to pay the interest on the 4 per cent. debenture stock and the collateral trust bonds. The remaining $3,000,000 went to pay rentals for various short lines. Included in the latter figure, of course, is the interest on the $3,650,000 of first mortgage bonds outstanding on one of these lines. Included too are payments of interest by the company on bonds which it has guaranteed the interest. In other words, the C.P.R. acquired a few lines simply by guaranteeing to the original bondholders the annual payment of the interest charges. The principal charges were not guaranteed. Thus, this small portion of these fixed charges might really be termed rentals.

Special Income Account

The special income account speaks for itself. Total revenues in this account are derived from revenues from investments, net earnings of ocean ships and earnings from telegraphs, news departments, hotels and other miscellaneous sources. Last year these totalled $11,357,374 and it is the company's custom to make this account pay 3 per cent. of the dividends on the common stock, whereas the remaining 7 per cent. is met by the company's net revenues from the operation of railways and lake steamers.

Income of the C. P. R. from various sources show substantial variation from year to year. So does expense. But the company has never failed to earn its 10 per cent. dividends, 7 per cent. from railway operations and 3 per cent. from other business activities.

To sum up the financial position then, it can be said that the company is in a wonderfully strong position, quite able to absorb any minor ups and downs of business. Indeed, it is in a position which would enable it to successfully pass through even the most serious business cataclysm which it is possible to imagine in Canada. Earnings may drop from time to time, but over the long pull, it is safe to anticipate that the margin between earnings and dividends will show an increase.

Why it is proper to anticipate increased earnings from the road deserves a special section to itself and succeeding articles will discuss the future outlook.

RUSSELL MOTOR COMMON

The reference to Russell Motor common stock selling as low as $5 per share last year, made in reviewing in the company's position last week, was in error. The figure referred to the number of shares in a transaction and not price, the low figure for which in 1925 was 28. Russell Motor common sold as low as 17½ in 1924.

ALCOHOL DIVIDEND PROSPECTS

MONTREAL.—While the street has been showing renewed interest in the market for Canadian Industrial Alcohol, and the stock has again been displaying a stronger tone, it will probably be some time before definite action can be taken with respect to an adjustment in the dividend rate, as many are expecting. There has been talk of an increase in the rate from the present level of 32 cents a share quarterly, or $1.28 a year, to 50 cents quarterly, or $2 per year per share. The board will not meet to discuss dividends again until September 22 next, so that nothing can be done in the way of an increase until that time.

"STEAMERS" OUTLOOK GOOD

MONTREAL.—The current number of "Investments," published by Nesbitt, Thomson and Company, contains an article on transportation in the Great Lakes which says in part:

"It will thus be seen that about 95 per cent. of the total movement of grain elevator centres, Fort William and Port Arthur, was entrusted to the lake transportation companies—this business alone provides substantial revenues year after year. With a large holdover of grain from last year, the business so far in 1926 has been heavier than one year ago, in spite of the fact that navigation opened about two weeks later this year than last. With the prospects for at least as large a crop as last year, fairly bright at the present time, it may be assumed that the grain movement by vessel during the current year will be considerably larger than during 1925, when it was considered very satisfactory."

The article then points out that the Canada Steamship Lines is favorably situated to take care of this enlarged business.

Pressed Metal Company May be Reorganized

MONTREAL.—It is understood that shareholders of Pressed Metals Company of Canada will be called together to consider and approve a proposed plan for the reorganization of the financial structure of the company, which will enable the directors to consolidate the accumulated arrears of dividend on preferred, and thus relieve the company of the constant pressure of a burden and which cannot possibly be cleared away by the ordinary process in the near future. The scheme, which is in the process of formation, will probably provide for increasing the preferred issue of the company and authorizing an exchange of preferred in lieu of present accumulated dividend arrears, which amount to $40 per share. The dividend of 8 per cent. was discontinued December 1, 1920, and was resumed at the commencement of the current year. Two quarterly payments of 2 per cent. each have thus far been declared. It seems probable that the preferred shareholders will be asked to agree to a reduction of the dividend rate from eight to seven per cent., but it is anticipated that the terms of exchange will be so liberal that no hitch in the projected proceedings will occur.

Pressed Metal shares sold higher on the announcement of reorganization proposals. The plan to eliminate preferred liability is evidently regarded as a favorable development from the standpoint of the junior securities.

INCREASE IN B.C. TIMBER CUT

VICTORIA. — Timber cut in British Columbia in 1925 totalled 2,861 million board feet, 78 per cent. of which was saw log material and 22 per cent. minor forest products, according to a report of the forest branch of the department of lands. The estimated value of production is $81,941,000, and exceeds the 1924 value by $1,239,000. The water borne trade exceeded 577 million feet and set a new high record, being an increase of nine per cent. over the previous year and of 205 per cent. in five years.

CROWSNEST COAL EARNINGS HIGHER

Coal Profits Over $300,000 Compared With Loss of $350,000 Previous Year

Crow's Nest Pass Coal Co. showed marked improvement in its earnings record for the year 1925, according to the annual report. The total profits for 1925 stood at $378,913, as against a loss of $257,939 in the preceding year. The year's dividends amounted to one at 3 per cent. and two each at 1½ per cent. Cumulative figures from the profit and loss account follow:

	1925	1924
Balance forward	$252,178	$ 14,276
Adjustments	......	†775,360
	$252,178	$789,636
Profits on coal	302,081	*353,532
Profits on lands, limber, etc.	76,832	95,593
Profits	$378,913	*$257,939
	$631,091	$531,696
Dividends	372,690	279,517
Income tax	34,997	......
Balance	$223,404	$252,178

*Loss.

†Reinstatement of capital assets written off against profit and loss balance in 1915.

The balance sheet shows current assets $879,111, which compares with $743,276 at the end of 1924. Current liabilities were $294,895, as against $236,198 in the preceding year, and net working capital $584,218. The company's ownership of securities was valuated at $1,765,654. Its mines, real estate, plant and equipment are valued at $7,460,556, less $3,401,490 reserved for depreciation, which makes a net value of $4,059,066.

The directors' report presented by the president, W. R. Wilson, stated that the operative profits of the subsidiary company, Crowsnest Pass Electric Light and Power Company, Limited, for the year was $11,547, of which $3,777 was written off and the balance transferred to depreciation and reserve. The other subsidiary company, Morrissey, Fernie and Michel Railway, showed operating profits of $38,692. Capital expenditure by the coal company for improvements was $81,483 during the year. The coal mined during 1925 amounted to 879,951 tons as against 275,329 tons in 1924, and the coke produced was 84,207 tons, as against 30,615 tons in 1924.

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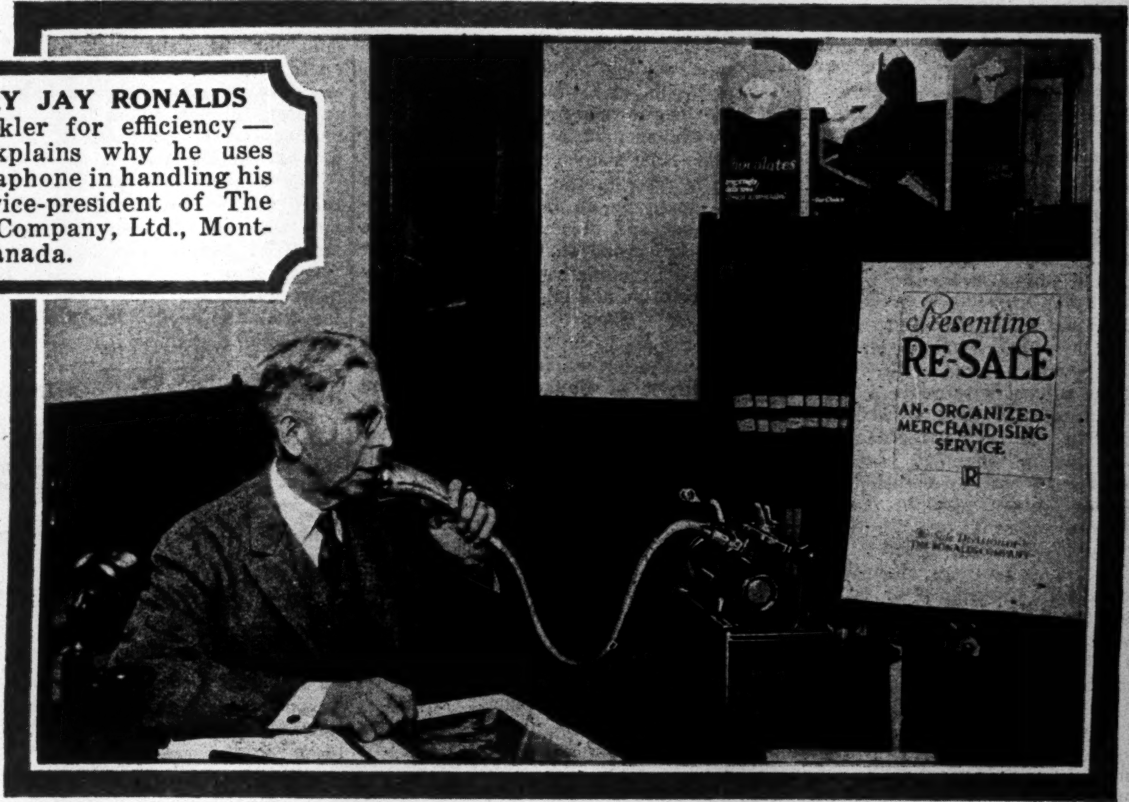

What's Wrong With Shorthand?

Executives Say:—
"If she could only take it as fast as I think."
"She can't help me with other things."
"If I could only dictate while it's fresh in my mind."
"Out sick, so my letters have to wait."
"Pshaw! she's gone. I'll have to wait till to-morrow."
"I had all this clear in my mind last night."
"I'm forced to cut dictation short."

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MISS E. G. GRACE
Secretary to Mr. H. J. Ronalds, gratefully declares that The Dictaphone gives her confidence and satisfaction in her work.

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"No one else can read my notes."
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The Financial Post's Platform for Canada

Promote national unity.
Reduce taxation; curtail public waste.
Conserve Canadian resources for Canadians.
Develop production and manufacturing to the highest point in Canada.
Settle our vacant lands.
Encourage individual initiative.
Induce and protect investment of capital in Canada.

TORONTO, JULY 16, 1926

COMMON TARIFF GROUND

THE oft-repeated declaration that Eastern and Western Canada are "poles apart" on the tariff has gained public credence by reiteration. But any sound Westerner and any sane Easterner sitting beside each other at a club would be able to find common ground for discussion of the subject within five minutes and would soon be amazed to learn how small is the real difference. Politics has made a mountain out of the molehill of tariff dissension.

The Westerner would say: "The West is not really out for free trade. It would be quite satisfied to have a tariff at somewhere about the present level. Its chief fear is that the tariff will be unduly raised and it fights the suggestion of higher tariffs with a condemnation of the present one; beating the manufacturer to it so to speak."

The Easterner would say: "We are pretty well satisfied with the tariff that Canadian producers nominally have at the moment. But we want such an administration of the tariff as will give us the protection you Westerners think we have. That means stopping dumping; correcting the depreciated currencies situation; adjusting some of our out-worn specific duties; levelling out inconsistencies and ceasing to make one industry bear the burden of another industry's troubles. We do not want a higher tariff. We want stability and fair administration of the present tariff."

There is nothing irreconcilable in those views. And they are given here just as a representative Easterner and an outstanding Westerner expressed themselves the other day in a private conversation.

FOREIGN "LAB." WRONG

THERE will be much sympathy with the stand of United Kingdom firms, as expressed in their occasional protests, that they should not have to go to Chicago to have electrical and fire prevention apparatus tested before being able to find a market in all Canadian provinces. The underwriters' laboratories in Chicago have reached a high standard of scientific ability, and are generally recognized as having achieved complete impartiality and fairness. But when a British or Canadian manufacturer finds his goods refused approval by the laboratory, while goods that seem to him to be of similar quality, though manufactured in the United States, are approved, he may be forgiven for doubting that impartiality of viewpoint.

In Ontario, electrical apparatus is tested by the Ontario Hydro-electric Commission's laboratories and thus independence of a foreign laboratory is established. The Ontario "lab" has been successful in keeping off the market a number of cheap, dangerous products, such, for instance, as German fuse plugs that were made of highly inflammable materials.

Ontario though is not enough. All Canada should be independent in such matters. Canadian manufacturers, the honorary council for scientific and advisory research, the fire underwriters and the dominion government should co-operate to establish this independence.

A FORWARD MOVE

IN DECIDING to inaugurate a customer ownership campaign, Montreal "Power," that stalwart among utilities, is wise, and the decision to sell the common stock which will allow the customers to participate in future earnings is the sledgehammer that rings the bell and brings home the cigars. In allowing its customers to purchase the stock by long term easy installments, the company is giving away something for nothing, but the bread so cast upon the waters is bound to return.

Montreal "Power" deserves no commendation for inaugurating this campaign. It was the only right, sensible and proper course, a course for public utilities which has long been advocated by leaders of public utilities. The shareholders should be gratified that their directors continue to exhibit those characteristics which have contributed to its success in the past, and will make its stock even more popular in the future.

The management does deserve commendation for choosing the common stock. The preferred shares only might have been sold to the customers; in proposing to issue the new common stock, the directors, to quote the immortal words, "seen their duty and done it," and whenever this occurs it is always commendable—especially when a departure from established custom is made.

MILLIONS FOR BATTLESHIPS

THE Canadian Navy League has come out in the open; come out in its true colors, and will bear watching on the part of Canadian taxpayers already overburdened.

Its chief propagandist, Sam Harris, a Toronto lithographer, announces that the work of the Navy League is to create in Canada a sea consciousness. Hitherto the appeal has been on the ground of charity—charity on behalf of the poor sailors. On this understanding, and very properly, thousands of Canadians have joined the league and prominent citizens have taken part in the good work.

Mr. Harris says, according to newspaper reports, the people of Canada are sponging on Britain for the enjoyment and protection of sea-borne commerce; and that she must either build a Canadian navy or pay a money contribution and let Britain do it; and that if Canada does not contribute, that the Mother country will be forced into some unfortunate alliance to the detriment of Canada. The amount originally suggested was a mere $30,000,000 a year, which is well over three times as much as is now paid for the support of the militia. Eventually the basis of our contribution is to be one per cent. on our imports and exports. This year, however, the battleship promoters are going to be satisfied with $6,000,000 as a start, and they are passing resolutions to that effect, with the proviso that if more is needed then it should be one half of one per cent. on our exports.

In reply to criticisms, Mr. Harris says: "We will have the battleships built in Canada if the Canadians want it." That does not help the Canadian taxpayer, and in any event, battleships constructed in Canada would be directly or indirectly under control of the little British-French-German munitions trust. Mr. Harris complains that the Washington agreement for the reduction of armaments works a real hardship to the British Empire, but he does not say that there has been any complaints from the British taxpayers or leading public men or press. The Winnipeg Free Press has pointed out the foolishness of this policy at a time when experts are at sea as to the proper method and apparatus of defense, and objects to committing Canadians to the expenditure of money or apparatus, which may be out of date when the next great war comes.

SAVING UNNECESSARY TOIL

IN THE days since the Ludlow riots, the attitude of labor towards labor-saving machinery has changed. Understanding by workers of the benefits to them of the application of mechanics to production is stronger on the North American continent than among the European nations. The standard of productivity of workers on this continent is from two to six times as high as that of workers in the European countries. This is chiefly because, in all fields of effort, industrial, agricultural, etc., machinery has been put to work, to a greater extent in Canada and the United States than in the older countries of Europe.

Canadian labor is not living in the dark ages of economic thought, and this is clearly shown by the publication in the Canadian Congress Journal, the official magazine of the Trades and Labor Congress of Canada, of an article by Dr. W. A. Riddell, Dominion of Canada advisory officer to the League of Nations, on the influence of machinery on agricultural conditions in North America. The doctor shows how the use of machinery on farms has raised the standard of living of workers, increased cultivated area and total production and enhanced the wealth of the world.

Dr. Riddell says that the effort of a man, his ordinary muscular energy, expended day by day, is one of the most admirable and valuable things in the world. It is the very basis of all organized human life, and it ought never to be wasted.

Unwanted work is mere profitless drudgery. There is neither virtue nor profit in unnecessary expenditure of labor effort. No work is admirable which can be abolished.

This is the new creed of labor, and it is the creed that is the means to the noble end of higher income for workers, lower prices of the goods they buy; larger opportunities to save and to live broadly; and to a steadier forward movement in the direction of ideal economic conditions throughout the world.

PRACTICAL PATRIOTISM

TEN years ago, business leaders were sending their sons abroad, in many instances, to die for their native land. The sons went with a will and gave their all; but heigh-oh, how times change.

To-day, the dominion faces a crisis—only a minor one in the form of another election. But the very men who ten years ago, were either in the army fighting for Canada, or sending both sons and daughters overseas, are to-day backward in coming forward into the political arena to fight—it matters not on which side—against such shameful episodes and such shameful wastes of the public funds as have characterized the session just concluded.

It is only by the participation in politics of our real leaders that this country will be saved from a descent into a political and national morass which frequently characterizes some of the minor Latin republics.

And why will not the real leaders of the country, the men who have a background of training, knowledge and experience, enter parliament and relieve a tired nation of some of its present political "geniuses"? Chiefly because they are afraid of a little mud slinging. Obviously, it is now up to business as a whole to encourage, and to give their whole-hearted support, to men whom they know to be honest; in other words, to place honesty before party.

The time is now at hand. Surely there will be found more business men who, even in the so-called piping times of peace, will be willing to forego things of the flesh and to acquire spiritual compensation in keeping with the needed leadership which they might give in things political.

SPEND IT UNGRUDGINGLY

CANADA'S immigration expenditures of about two and a half millions yearly bring a disappointingly small number of immigrants yearly. Expenditures for each of the past three years have been as follows:

Fiscal year—	
1923-24	$2,823,809.81
1924-25	2,654,509.89
1925-26	2,452,945.19
Total	$7,931,264.89

For this expenditure, and for the expenditures of the two big railways, Canada has obtained the following immigrants:

1923-24	148,560
1924-25	111,362
1925-26	96,064

Unfortunately, business conditions in Canada in these years have not been favorable to the swelling of immigration's flow. Business conditions are such now as to make Canada's attractions more appealing. Immigration expenditures should now bring better results, and should not be made grudgingly.

EDITORIAL NOTES

SUGGESTED campaign slogan: "Good morning, have you slung your mud yet?"

* * *

THE "strikes" reported so abundantly from Northern Ontario are not the result of the Privy Council decision on the Lemieux Act.

* * *

"ONCE bitten; twice shy" is the rule of the Northern Alberta farmers who are putting in extra feed for a long, hard winter.

* * *

AMERICAN observers claim that free trade ruined the British Empire Steel Corporation, which is one of those partial truths that fill the world.

* * *

IN ITS 20 years ago to-day column, the Winnipeg Free Press records "The first G.T.P. construction train left Winnipeg to-day." Why bring up such a sore topic?

* * *

Quebec is counting on a revenue of $6,000,000 this year from water powers, lands and forests. This is an indication of how government-regulated, privately-owned utilities are helping to bear the tax burdens of the people of Quebec. And power rates are still at a level to offer favorable comparison with Ontario, where manufacturers pay higher taxes.

Fifteen Years Ago

Extracts from Files of The Financial Post.

Sir Donald Mann, Sir William Mackenzie, and Sir Henry Pellatt return from England and stock markets boom.

Assessment Commissioner James C. Forman, of Toronto, reports against annexation of North Toronto.

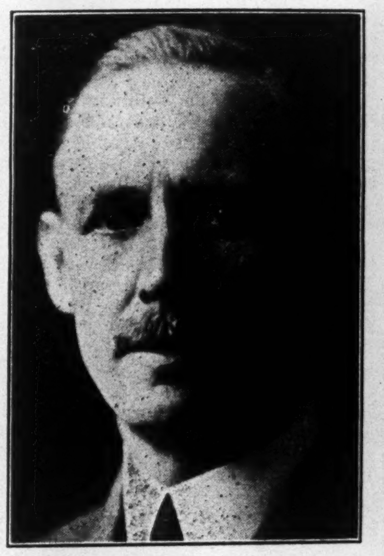
C.P.R. dividend to go to 12 per cent. is rumor.

Saskatchewan building one and a half new schools a day.

From "Powder Monkey to Admiral" in Electric Industry of America

Former Office Boy in Old Toronto Electric Light Co. Now President of the National Electric Light Association

By J. W. Tyson *



ROBERT F. PACK.

From office boy in the old Toronto Electric Light Company to president of the National Electric Light Association, which comprises practically all the great electric companies in the United States, tells in a word the low and high lights in the career in electricity of Robert F. Pack. And although it is many years now since he tended the pens, then kept books and finally managed the affairs of the Toronto company, there are those who were his associates in those days who recall the then developed aptitude for public relations, the further development of which has undoubtedly won for him the position of titular head of the electric light and power industry in America. Mr. Pack was elected president at the 49th annual convention of the association recently at Atlantic City, where there was the largest attendance at any such convention thus far held—some 8,000 delegates from all parts of the country.

Mr. Pack is described by the Public Service Magazine as one of the most aggressive and progressive executives in the electric light and power business. His company, the Northern States Power, is a member of the great Byllesby organization. Mr. Pack is essentially a man of action as distinguished from words. He is known for his great resourcefulness and his ability to get results. He and his entire organization are also expert in their relationship with the people. They probably have a minimum of difficulty with their public relations. That, undoubtedly, is due to the fact that they thoroughly understand the necessity of taking the people into their confidence in all matters and imparting to them just as much information about the public service business as it is possible to give out.

Mr. Pack had his first experience in dealing with public opinion during his connection with the Toronto Electric Light Company, when one of his tasks was to endeavor to present in a favorable light the interests of the private power companies at a time when public ownership had already taken hold of the public imagination in Ontario. He realized the trend of events perhaps more clearly than some of those with whom he was associated and when, after the amalgamation of Toronto Electric Light with Toronto Railway and Electrical Development, there were differences with the powers that were, he resigned, he had already granted a wide reputation in his field as president of the Canadian Electrical Association and delegate to the National Electric Light Association.

Started as Office Boy

Robert F. Pack was born in England, October 1, 1874. It was the desire of his parents that he follow the sea as a career and he was educated for the British Navy. However, in 1899 he came, with his parents to Canada, and in 1891 started his business career in the humble position of office boy of the Toronto Electric Light Company. He graduated to a clerkship in the accounting department, later becoming accountant, then comptroller, then secretary and finally general manager of the company.

It was in the fall of 1912 that Mr. Pack resigned his position with the Toronto company to enter the service of H. M. Byllesby & Co., being appointed manager of the Minneapolis General Electric Co., which at that time served Minneapolis and a comparatively few surrounding towns. In 1896 he became vice-president and general manager of the Northern States Power Co., which, in addition to controlling the Minneapolis General Electric Co. and the St. Paul Gas Light Co., now supplies electric service to more than six hundred cities and towns in Illinois, Wisconsin, Minnesota and the two Dakotas, and also owns and operates a number of gas plants, steam heating and street railway systems as well as telephone systems.

Making Things Understood

As indicated, Mr. Pack is very largely self-trained and self-educated. He is not an engineer and yet his associates in Toronto found that he had a remarkable facility for absorbing and understanding the technical side of the industry. Further, he was always able to deal with a technical problem effectively before laymen—more intelligently, often, than an engineer would be able to do. This ability has undoubtedly proven a valuable asset in his progress to the position he now holds at the head of the industry. His appointment as president of the National Association comes after a period of very active participation in association affairs, he having served on a number of committees in recent years, during the last four of which he held the position of vice-president. In 1917 he was appointed to the Minnesota State Board of Arbitration, to represent the employers of the state. He served as president of the Canadian Electrical Association in 1912.

Mr. Pack is a director of the Northern States Power Company, the Minneapolis General Electric Company, the Standard Gas and Electric Company and the Northwestern National Bank of Minneapolis. He is a member of the American Institute of Electrical Engineers, the Art Institute of Minneapolis and the Minneapolis Civic and Commerce Association. He belongs to the Minneapolis, the Athletic, the Minikahda and Automobile Engineers Club and the Lotus Club of New York City. Mr. Pack is married and has three children.

*With co-operation of Geo. F. Oxley, department of public information, National Light Association.

Current Comment

NO NEED TO FEAR

Brantford Expositor.—There is sometimes talk that American capital is dominating Canadian industry, and that American settlers are beginning to dominate the Canadian West. The first charge is well founded, but in the absence of British capital this was inevitable. It has tended, however, to the rapid expansion of Canadian industry. American settlers are among the best and most progressive citizens of the Prairie Provinces, and Canada has nothing to fear even if the next census reveals a quarter of a million of them.

A GOVERNMENT'S JOB

Commercial and Financial Chronicle, New York.—The dangers of luring theories and illusive innovations are not yet overcome. The sappers, the borers from within, the over-zealous and fanatical socialists and communists, are at work to disintegrate and destroy. Of these we must beware. The selfishness of class rule is rampant. Law is sometimes more of a weapon than a shield. But contracts are still inviolable. Work is still the royal road to personal success. The private ownership of property is still sacred under the primal charter. The government is not a substitute for the thought and toil and trade of men and women who bow before its shrine and command its service. It has no power that is not delegated. It is not a paternal benefactor, or a civil or military despot, but an instrumentality to guard natural rights, and to promote the general welfare by so doing.

As Others See Us

DON'T FORGET ECONOMY

St. Catharines Standard.—A banker made the remark the other day that no private business could stand up under the tremendous overhead with which public business is carried on.

The Financial Post last week declared that, in the new election, economy, should be one of the first planks in the platform of the political parties.

The Conservative leader should not overlook his pledge made before October 23 last, that regardless of political expediency, and with friend and foe alike, he would insist on the most economical conduct of affairs which could be improvised.

The country demands this. Millions of dollars expenditure can be eliminated if the new government gives determined leadership in that direction. Millions of dollars now are being paid in interest on the public debt. When this is reduced these millions will be diverted to the country's development and there will engages public prosperity. The national debt is a huge burden. There should be a first effort to reduce this. It has grown in the past five years, when it should have been reduced.

Fine points about the constitution really amount to little to the average man. What counts is lessened taxation all round, and the first principle of this is economy in administration.

LAWS TOO NUMEROUS?

Saskatoon Star.—On the average, says The Financial Post, three new laws are added every day to Canadian statute books. Last year there were 1,200 additions. The Dominion parliament and the nine provincial legislatures passed that number of bills in the course of 1925. Our yearly production of laws, says The Post, is getting to be "too much of a good thing."

When one recalls the fact that municipal councils also are busy producing new regulations, the force of the complaint seems all the stronger.

On the other hand, it has to be remembered that many, perhaps most, of the bills passed by the legislatures are amendments of trifling importance hardly to be described as "new laws." For instance, if the time which has to elapse between the nomination and election of village councillors in Saskatchewan is lengthened or shortened, the change must go in the statute books and it stands there as a chapter by itself. On the average the legislature at Regina passes fewer than 100 bills a session and of each 100 more than one-half are amendments of this character. A genuinely "new law," a piece of legislation which is unprecedented, is an unusual event at Regina—or at Ottawa for that matter.

This is as it should be, broadly speaking. Obedience to the laws is a quality of good citizenship. As laws are multiplied, as they begin to invade the field where the social conscience and not the courts should rule, it becomes more difficult to be a good citizen. Not even a lawyer can keep up with the production of statutes in some of the American states.

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FINANCIAL STATEMENT

Assessed Value for Taxation	$71,463,218
Total Debenture Debt	15,767,695
Net Debenture Debt	7,367,721
Population—63,339	Area—10 sq. miles

London is the fourth city in Ontario as regards both population and importance, ranking next to Toronto, Hamilton and Ottawa. It is the commercial, financial and educational centre of the southwestern portion of the Province. The City is one of the oldest and most substantial cities of Canada.

At the present time there are 234 manufacturing establishments with a capital investment of $39,228,903 employing 8,890, having an annual production of $36,291,350. The manufactures include a wide range of products the principal being stoves, biscuits, candies, rolling mill, motor cars, shoes, pianos and organs.

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NEW YORK — LONDON, ENG.

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A two-cent stamp should be enclosed to cover a direct reply.

Canada Biscuit Co.

Michael.—Let me have a few words from you please, about the advisability of purchasing the bonds of the Canada Biscuit Company.

The Canada Biscuit Company was incorporated to amalgamate five biscuit companies with plants located in the Maritimes, in central Canada, and in the West. We believe that the general trend in this industry is towards consolidation; this serves to reduce costs and overhead. One of the chief components of the present organization is the McCormick Manufacturing Company of London, Ont. which has a long and successful record as a manufacturer of biscuits.

The company has net tangible assets three times as large as the amount of its bonds outstanding. During the past 7 years, the component companies have had earnings well over three and a half times the bond requirements. These earnings would be applicable to depreciation and federal taxes, as well as the bond interest.

Canadian Converters

M. T. J., Newfoundland.—Would you advise me to sell or hold holdings of Canadian Converters?

Canadian Converters is a well-managed organization which purchases cotton textiles and manufactures and sells the finished products through the wholesalers. The company has always kept itself in a strong financial position and, while we see no immediate hope of increased market prices for the shares, yet we see no indication that the stock will sell at lower levels. In fact, the price at which the shares of this company changes hands will about keep pace with the general levels prevailing in the stock market. If you desire a good stock which will bring you in an excellent yield, then keep your Canadian Converters, for it is an excellent hold for a business man. You need not, however, anticipate any particularly large increase in earnings, for the company sell only in the Canadian market, but as this grows, it will no doubt progress with it.

Ford Motor

A. M., Alberta.—Would like your opinion on Ford Motor of Canada as an investment for a working man.

We would not care to advise an investment in Ford of Canada except for a business man of considerable resources and wide diversity of holdings. This company has had a wonderful development but competition in the production of cheap cars is becoming very keen. Thus far Ford has been able to hold the dominant position and will probably continue to do so but with the stock selling at $500 a share and with fluctuations within a few months of as much as 100 points it looks like a rich man's proposition.

We would offer the general suggestion that the man with an average income planning to build up a modest estate should put at least 60 per cent. of his funds into government or other high class bonds. The directors are: Henry Ford, pres.; W. R. Campbell, vice-pres.; Edsel B. Ford, 2nd vice-pres.; G. E. Dickert, 3rd vice-pres.; E. C. Kanzler.

Silversmith Mines

S. A. K., Victoria.—I would like your opinion of shares of Silversmith Mine, Soudon, B. C. There is considerable interest in the shares here; the company has paid dividends regularly and at the present price, 50 cents, the yield is approximately 6 per cent. It appears that capital reserve is being well taken care of and there are large ore resources with values increasing at depth. There does not seem to be much interest in the shares at Vancouver. It seems to me that the soundness of the proposition would hinge on the directors.

In addition to the information which you gathered together yourself in regard to Silversmith Mines, there is a very excellent source of information available to you right in Victoria, that is the 1925 report of the British Columbia Department of Mines, which has just been made public. If you can secure a copy of that report and read it you will find that the Silversmith is classed as the second largest silver-lead-zinc producer in the province, and that since its inception the company has been well managed and has a large cash reserve. The company's fiscal year ends May 31st, so that the report for the year ending May 31st, 1916, should be available in the not distant future.

We would judge from reading the report that the company has a very prosperous future ahead of it.

Gunn's Limited

D. C., St. John.—Please give me your opinion of Gunns, Ltd., stock, price paid 95%.

The annual report of Gunn's, Ltd., for the year ending Feb. 28th last, showed a loss after depreciation of $282,696, but additional information reveals that this was after allowing for an adjustment on account of minority shareholders settlement of $242,985. It would seem, therefore, that the year's operating deficit was only $39,711. In addition, however, the total deficit was increased by $120,000 written off goodwill and $197,105 expenses in connection with the preferred stock issue. The total deficit appearing in the statement is now $762,614.

It would seem that the directors have decided to not only face all losses, but to put all assets on a rock bottom basis, and to be in a position to benefit from any improvement from the depressed conditions which have been prevailing in the packing industry. Gunn's preferred shares have recently declined on the market in keeping with the unfavorable statement which has been issued, but we are inclined to the opinion that the worst is now over and that the company's position should definitely improve from its present low level. The directors are: J. A. Gunn, pres.; D. W. Gunn, H. A. Greene, A. D. Gunn, D. R. Gunn, E. S. Waterbury, F. W. Waddell, R. D. Bell, N. L. C. Mather.

Imperial Royalties

W. L., Ontario.—Would you kindly give me your opinion on Imperial Royalties 12 per cent. participating non-callable preferred shares, par $1, selling at $1.50, and information concerning the president, E. S. Horn?

The last statement on Imperial Royalties Company showed earnings for the year ending May 31, 1925, of $153,094. Office expense totals $2,782 leaving $150,312 which went to pay the preferred dividends of $137,892. As far as we can learn there is no market for the securities.

This company goes to land owners in the oil fields and definitely buys a certain per cent. of the royalties on which the land owners will obtain from wells in their land. The stock is highly speculative and one thing that must not be forgotten is this. Shares are sold in Canada for $1.50 per share. You might be surprised to learn that more than $1 goes into the Refrigerator Company of Kansas City.

Certainly the company must pay a high brokerage in this connection through having the stock sold which indicates that Imperial Royalties must make tremendous earnings to pay 18 cents on every dollar which they receive in the treasury.

About the president of this company we know nothing.

In conclusion we would just make a point that we have made to many enquirers of a similar nature to yours. In buying stock in the Kansas City oil venture, you are sending your money into a country whose laws you are not familiar with and where it is difficult to get information on the progress of the operation and equally difficult to get a line on who is behind the proposition. At the same time there are speculations which we know have a great deal of merit offering shares here in Canada—I refer to our oil and mining speculations—being handled under laws with which you are familiar and on which information as to the nature of the operation and those behind it are readily available.

Fun in Life

A. E., Nova Scotia.—I am the holder of 700 shares of the National Life Preserver Co. of Canada, and would be glad if you would give me an idea of the value of this stock and the future prospects of the company, if any.

We wish that you had obtained our advice before purchasing 700 shares of the National Life Preserver Company of Canada. But instead you have inquired our opinion about the future of this company and perhaps the best way to answer your letter is to ask you one or two questions. As a Maritimer, you will probably be better able to answer them than we are.

In the first place, did you know that a company operating under the same patents in the United States has met with no success?

Some modern liners carry as many as 5,000 souls aboard; do you think it likely that steamship companies would purchase sufficient of these life-saving suits to fully equip even one vessel, let alone a fleet? You probably have a mental picture of shipwrecks in the past when the passengers, before the ship sank, gathered on the deck and sang "Nearer my God to Thee"; we would ask you, if in your own mind, you can substitute that picture for this: the passengers foregathering on the deck cheerily singing "A life on the ocean wave," then don their Ever-Warm Safety-Suits and rush off into the gentle billows of the Atlantic? The ex-passengers would be kept quite warm and comfortable, for in one piece of literature issued in connection with these shares, it says that it will protect "the wearer for any length of time against the deadly numbing chill and keeps the body warm, no matter how cold the water may be."

Again we have seen photographs of this suit in which the wearer, immersed in water, partook of some refreshment; thus the shipwrecked passengers might have the benefit of hot coffee, thoughtfully brought along by the cookee from the galley before the ship sank. It would be possible also, according to the photographs, for the tired business men to smoke cigars ad nauseam until the arrival of the rescue ship.

Someway, these delightful mental pictures, which vividly come to the mind's eye whilst reading some of the advertising matter, hardly seem like a reality.

So that, while we do not for a moment doubt that the suit will do everything which is claimed for it, yet we would say that the market for this product will be extremely narrow. Therefore, we believe that the outlook for the future of the company is highly speculative and hardly promising. We should never recommend the purchase of this stock to any investor. There is no market for the stock.

Port Alfred Pulp

RANCHER, Alta.—Not very exhaustive information, I recently purchased 40 shares of Port Alfred Pulp and Paper Corporation preferred with a bonus of common stock. Would you kindly say a word or two about the position which this company occupies in its field, its limit holdings and generally, if you consider it a good investment for the small man with prospects of the common shares giving a return.

If you did not inquire closely into your purchase of Port Alfred Pulp and Paper shares, we believe that you may consider yourself very fortunate, for with the completion of its present extension program, we believe that there will be no pulp and paper mill in Canada in any better position than Port Alfred. Our attitude about the position of the company is backed up by able technical and engineering opinion.

Of course, in purchasing newsprint securities, you must realize that there is the possibility of an over-production of newsprint, say in 1927. On the other hand, seven or eight months ago, many actively engaged in the industry prophesied an over-production for June of this year—this has not materialized and the demand for newsprint is stronger than ever. Even admitting though, there will be a slight over-production say a year hence, nevertheless, if any company in Canada is making money, we believe that Port Alfred will be able to do so also. The stock appears to us to be an excellent hold for a long pull. The directors of the company are: Geo. M. McKee, president; R. O. Sweezy, A. Cross, vice-presidents; E. A. Macnutt, J. H. Gundy.

Canadian Converters

R. L. E.—Would you mind telling me why the shares of the Canadian Converters sell at a price to yield 7.69 per cent.? Is there anything which is not in its statement which would imply a greater risk than is shown?

Canadian Converters' shares return an attractive yield, and we know of no factors which imply a greater risk than those set forth in its balance sheet. The reason why the stock is not selling higher lies in the fact that over the past five years the earnings have not been largely in excess of the dividend requirements. For the year ending April 30, 1926, the net applicable to dividends amounted to $131,814 and dividend requirements totalled $121,345.

One of the reasons why the stock returns a high yield is the fact that there is no dividend increase in prospect. The market for the company's products is entirely in Canada and at the moment there seems little to indicate that it can increase the sale of its output. As the country grows, the company will grow also, but there is no indication that its earnings can grow materially within say, the next year or two.

In 1912 the stock sold as low as 30½ and as high as 48. This year it has ranged between 90 and 94. In the intervening years, the market trend has been slowly, but steadily, upward.

The company is ably managed and is in an excellent financial position. Furthermore, the only securities which are senior to these shares are the 6 per cent. bonds which are due December of this year. Of these, there are only $199,000 outstanding. Probably, in the next balance sheet the mortgage indebtedness will be entirely eliminated and the common shareholders will own the entire equity in the property.

The directors of the company are: J. H. Roy, president, J. M. Mackie, vice-president; T. J. Rodger, J. N. Laing, T. R. Rennie, D. Paterson, R. C. McMichael, K.C.

Personals

Harry H. Prittie, one of the directors of A. McKim, Ltd., has been appointed manager of the company's offices in Toronto. He has been associated with the company both in Toronto and Montreal, for the past few years in the latter city. Mr. Prittie has had an experience of over fifteen years in dealing with advertising and sales problems and is well-known to advertisers, publishers and advertising men throughout Canada.

John P. McConnell, a director and chief of production of the advertising agency of McConnell and Fergusson, whose death occurred last week, was a well-known newspaper and advertising man. Born in Lucknow, Bruce county, Ont., 52 years ago, Mr. McConnell spent his early life in Walkerton. Starting his newspaper and advertising career 30 years ago on the Belleville Sun, he was in turn associated with the Acton Trades Publications, Toronto, the Slater Shoe Company and Semi-Ready Clothing, Montreal, as advertising manager, and as an editorial writer on the Toronto Saturday Night. Mr. McConnell went to the Pacific coast 20 years ago, organizing the Vancouver Saturday Sunset and the Vancouver Sun, of which he was managing editor for some years. Returning to Ontario 12 years ago he became associated with the firm of McConnell and Fergusson, Limited.

Comparing C.P.R. and Union Pacific

NEW YORK.—The fact that both Union Pacific common and Canadian Pacific ordinary stock both pay 10 per cent., and are among the comparatively few railroad stocks paying as high a dividend, naturally invites comparison between the two. Canadian Pacific is selling nearly 10 points above Union Pacific, although the earnings record of the latter for the past 10 years at least has been very much better than Canadian Pacific's and the margin of protection for the 10 per cent. dividend much wider.

Union Pacific in 1925 showed earnings equivalent to $15.40 per share on $222,293,100 common stock, which was the best result since 1919, with the single exception of 1923. Canadian Pacific with earnings of $12.52 per share on $260,000,000 ordinary stock in 1925 showed an improvement, although a not very marked one over the preceding four years which had shown the 10 per cent. dividend covered by a comparatively small margin. Canada and Canadian Pacific have been much slower in the recovery from post-war conditions than the United States and its railroads. But Canadian Pacific is again on the up-grade, and there are indications of genuine improvement in results this year. The present year promises to be the best at least since 1917, when Canadian Pacific reported a balance for the ordinary stock of $15.90 per share.

Union Pacific, with its large holdings or securities of other railroads, has with some truth been called a "railroad investment trust." It derives almost as much income from investments as it does from rail operation. For example, of the $15.40 per share of common stock reported last year $7.96 per share represented operating income and $7.44 per share non-operating income from outside investment and miscellaneous income. This is undoubtedly an element of strength in sustaining its liberal dividend rate. Of the Canadian Pacific 10 per cent. dividend 7 per cent. is specifically declared out of railroad operating income and 3 per cent. from special income, which is derived from investments, net earnings of steamships, hotels, telegraph lines and other activities in which this great railroad is interested.

Earnings of both systems have shown satisfactory gains this year over 1925. Union Pacific's gross revenues for the first five months of $74,278,794 were $6,118,798, or 9 per cent. ahead of a year ago, and net operating income of $9,906,533 was $876,619, or 9.7 per cent. over last year. Canadian Pacific's gross revenues of $69,693,817 were $8,002,645, or 13 per cent. greater than a year ago and net operating income of $11,129,583 was $5,916,388, or 95 per cent. above last year.

The following gives a comparison of the earnings of Union Pacific and Canadian Pacific for the past five years.

	Union Pacific			Canadian Pacific		
	Gross	Sur. aft. charges	Bal. per sh. com. aft. pfd. divs.	Gross	Sur. aft. charges	Bal. per sh. aft. pf. divs.
1925	$198,030,000	$38,231,060	$15.40	$183,356,006	$36,573,634	$12.52
1924	199,035,117	35,753,204	14.29	182,502,156	32,628,208	11.01
1923	211,318,465	39,922,206	16.17	195,837,690	34,899,409	12.01
1922	192,877,122	32,339,723	12.76	186,675,036	33,545,139	11.66
1921	181,445,913	31,301,075	12.29	193,021,854	33,160,867	11.52
5-year aver.	196,543,303	35,509,453	14.18	188,278,428	34,163,251	11.74

POST-Scripts

HOMES artificially cooled in the summer and automatically heated in the winter; the substitution for ice of refrigerating machines utilizing gas heat; universal adoption of the temperature method of cooking food; prohibition of the burning of coal in the raw state; and an unpolluted atmosphere free of smoke, ashes, soot and grime—these, in brief, constitute the "picture ahead" presented by executives of the manufactured gas industry for the consideration of the American people.

THE influence of commerce in stimulating artistic effort is daily felt. The new booklet issued by the Canadian Pacific Railway to advertise coming round-the-world and Mediterranean cruises should have the effect of encouraging the advance of art, both in urging artists and craftsmen on to fine effort and in taking art to the people who will receive the booklet.

Many fine oil paintings, done in a broad, sweeping treatment, with bold massings of color and overwhelming romantic appeal, are reproduced in this booklet, which is the third such production of the company in connection with its annual cruises. The artist is Maurice Logan and the booklet has been produced by Canadian craftsmen.

It is a tribute to the taste and lavishness of the C.P.R.'s cruise booklets that many homes throughout the country have framed copies of some of the pages hanging in honored positions.

Incidentally the originals of Maurice Logan's pictures are on exhibition in different libraries and galleries in Canada.

WHATEVER the results to date, and whatever the Canadian government may think of the experiment, the Hudson's Bay Company evidently does not intend to give up its efforts at reindeer production in Baffin Land. In his address to the annual meeting of the company's shareholders in London, recently, Governor Sale said:

With the close of the war we realized that progress demanded a closer investigation of our opportunities, and we decided to institute a development department. Just about the same time we were approached by Mr. Stefansson, the author of "The Friendly Arctic," with a project for introducing reindeer to Baffin Land, along the lines which have been so successful in Alaska. The project was one which had the active support of the government of Canada, and which we felt should be undertaken by our new department in the interests of Canada.

I regret to say that so far the venture has been a failure, but in this, as in other things, failures taken in the right way are but stepping-stones to success, and we do not intend to abandon the experiment until we have proved to our own satisfaction and, if possible, to the satisfaction of the Canadian government, that success is not attainable.

THERE has been much talk about how the public utilities are more and more being owned by their customers. This is true—in part. That is, when only the individual shareholders are considered. Of course, the individual also purchases insurance and a larger and larger proportion of the investments of life insurance companies is going into the securities of public utilities. In one company alone, the Sun Life Assurance of Canada, almost 50 per cent. of the funds which it has available is used to purchase securities of this group.

Thus, in reality, there are many men who, while not personally owning one share of any public utility, yet have very real interest in the prosperity of the utilities as a whole. Every man who owns even $1,000, or maybe $10,000, of insurance in any company has a very vital interest in assuring that the public utility companies are allowed to earn a fair return on the capital invested, for only thus can the purchaser of life insurance be sure of a fair dividend at the time his policy expires.

Especially is this true in Canada where power and public utilities constitute the greatest single investment of capital. Thus, the prosperity of the power and public utility companies is woven into the warp and woof of our national texture to such a degree that should the time ever come that these companies as a group experience really large reverses, the ramification of such reverses would be felt by every individual in the Dominion.

New Tenth Edition

The Greenshields Analysis

In response to numerous requests we have just published the 10th Edition of our Analysis of Canadian Stocks—revised to June, 1926.

Giving 14 important facts regarding approximately 100 leading Canadian Preferred and Common Stocks, this Analysis will be found most valuable for study and reference.

A copy will be mailed on request.

Write for Analysis No. 4

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Midsummer Bond List

Our new Bond List offers a wide selection of Canadian Government, Municipal and Corporation Bonds, yielding from 4¾% to 6¼%.

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The following high-grade Bonds which have been selected from our current list offer an excellent opportunity for sound investment in readily marketable securities:—

	Due	Price	Yield
Dominion of Canada 4½'s..........	1940	96.50	4.83%
Dominion of Canada Guaranteed 5's (Issued by Canadian National Railways)	1954	102.00	4.87%
*†Govt. of Argentine (External) 6's....	1960	99.75	6.03%
*†Imperial Japanese Govt. (External) 4's	1931	90.00	6.00%
*†Kingdom of Norway (External) 5½'s	1965	98.00	5.65%
Province of Ontario 5's..............	1948	102.25	4.83%
†City of Montreal 5's................	1956	102.75	4.83%
Canadian Pacific Railway 4½'s......	1944	94.00	5.00%
†Duke-Price Power Co. Ltd. 6's......	1966	103.00	5.81%
*†Montreal Tramways Co. Ltd. 5's....	1941	98.25	5.18%
Ogilvie Flour Mills Co. Ltd. 6's	1932	104.75	5.10%
Paton Manufacturing Co. Ltd. 6's ..	1953	102.00	5.85%

* Listed on New York Stock Exchange.
† Principal and Interest payable in New York Funds

The above Bonds are offered subject to prior sale and change in price. Complete information regarding any issue and a copy of the July edition of our publication "Investment Securities" will be forwarded upon request.

Write our nearest office

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News of the Investment Market

STEAMERS' ISSUE OF $18,000,000 IS BIGGEST IN SIGHT

Some Wayagamack Financing Also on the Schedule

While considerable corporation financing is in prospect, the Canada Steamship issue, which will total about $18,000,000 is the largest deal under way. The issue is not yet ready for offering, but when it comes is likely to clean up the company's balance sheet by paying off or providing for existing issues, by paying off bank loans in connection with the Playfair purchase and by providing ample working capital. An important New York and Canadian syndicate is working with the company on the transactions.

The balance sheet to be offered by the company in connection with the new financing will have extraordinary interest as it will undoubtedly show not only the effects of the acquisition of much new capital, but the elimination of many items of doubtful value and the writing down of many assets.

Another important piece of financing will be in connection with Wayagamack Pulp & Paper Company's purchase of Anticosti Island, should the deal go through. There are a number of real estate bond issues in preparation.

Summer demand for bonds is unusually strong, chiefly reflecting the keen competition between New York and London for new issues suitable for world markets. This has taken the larger Canadian Municipal and provincial issues across the border, leaving the Canadian market with the smaller ones.

Despite the good demand, investment activity should not develop to a greater extent until fall, as the season of golf and fishing is here to lure heads of investment banking houses.

Plenty of Money Coming Forward for Investment

Several aspects of the bond market in Canada should prove interesting to prospective purchasers, says Wood, Gundy & Co. The plentiful supply of investment funds throughout the United States, and the consequent cheapness of money in that market, has resulted in an increasing number of new Canadian issues being sold here. During the second quarter of 1926, more than 75 per cent of new Canadian government and municipal issues were sold in New York, compared with less than 45 per cent. during the first quarter. Since May 1, for example, British Columbia, New Brunswick, Quebec, Ontario, Ottawa and Winnipeg have disposed of substantial issues payable in United States. In that market, Dominion of Canada 5 per cent. bonds, due 1952, are offered to yield 4.60 per cent., compared with the yield of 4.78 per cent. obtainable in Canada from long term Dominion bonds.

The indications are that money will continue to remain plentiful, and with the probability of further new issues being sold in New York, fewer new offerings in Canada should result. Furthermore, a relatively small amount of new borrowing is contemplated in Canada during the next few months, estimates placing new government and municipal issues at less than $120,000,000, compared with $204,000,000 during the last six months of 1925.

New York Continues to Buy Canadian Provincial Bonds

The advent of the holiday season has as yet witnessed no recession in the demand for high-grade securities, as accumulating funds in the hands of private and institutional buyers continue to readily absorb all attractive offerings, says McLeod, Young, Weir & Co., in their review of the bond market.

The Montreal Metropolitan commission's recent rejection of all tenders is an indication of a more or less prevalent opinion that cheaper money is in sight for government and municipal borrowers.

New York continues to be a buyer of blocks of Canadian, provincial and large-city issues at better prices than can be obtained in the Canadian market.

A considerable amount of corporation financing is being postponed until after the summer months and the early autumn will no doubt witness the offering of some very attractive issues.

Drawings of French Bonds

Only those issues that have been sold in Canada are included.

Credit Nationale

Bonds 5 per cent. issue of 1921.
Drawing of June, 1926.
Nos. 249153, 1249153, 2249153, 3249153, 4249153, 5249153, repayable at 100,000 francs.
Nos. 229153, 1229153, 2229153, 3229153, 4229153, 5229153, repayable at 50,000 francs.
The following bonds are repayable at 10,000 francs:
29153, 659153, 929153, 999153, 1029153, 1659153, 1919153, 1999153, 2029153, 2659153, 2929153, 2999153, 3029153, 3659153, 3929153, 3999153, 4029153, 4659153, 4929153, 4999153, 5029153, 5659153, 5929153, 5999153.
Repayable at 5,000 francs:
69153, 129153, 579153, 789153, 1069153, 1129153, 1579153, 1789153, 2069153, 2129153, 2579153, 2789153, 3069153, 3129153, 3579153, 3789153, 4069153, 4129153, 4579153, 4789153, 5069153, 5129153, 5579153, 5789153.

Credit Nationale

Bonds 5 per cent., issue of 1919.
Drawing of June, 1926.
No. 3871347, repayable at 1,000,000 francs.
No. 7828625, repayable at 500,000 francs.
Nos. 691502, 3880786, 4309204, 4781543, 5759938, repayable at 100,000 francs.
Nos. 118889, 3072539, 4168382, 4207408, 4213026, 6523479, 6755777, repayable at 50,000 francs.
The following are repayable at 600 francs:

	2220601—700	2248001—100	2780001
—100	2801301—400	3072501—600	2156501
—600	3363201—300	3871301—400	3880701
—800	4034301—400	4168301—400	4207401
—500	4213001—100	4709201—300	4493401
—500	4321001—100	4759001—100	4781501
—600	4898701—800	5180101—200	5256701
—800	6826601—700	7176501—600	7605101
—200	7607401—500	7795401—500	7828601

Repayable July, 1926.

Points for Women Investing Money

By PRISCILLA G. McNAIR,
Manager, Women's Department, Nesbitt Thomson & Co., Montreal.

A good policy for a woman investor is that her funds should be invested in high class first mortgage bonds and preferred stocks.

A little care taken to conform to the fundamental laws of successful investment goes a long way towards achieving uniform success. When making your next investment, consider the following:

The character of the officers of the company.

The necessity of the product produced or manufactured or, will a general depression jeopardize the investment?

The value of the assets.

The earning power.

Is the interest return fair? Do not be carried away with high interest rates.

Will the investment be one that is easily sold or borrowed upon?

It is always advisable to consult a reliable house, whose business it is to provide safe investment. Even though your judgment is sound it is well to have it confirmed.

Do Not Forget Your Investment

Many women investors have securities tucked away in boxes and think of them only when interest payments are due. Very few ever figure to take advantage of special opportunities for profitable exchanges. Capitalized profits mean nothing to them—because they do not take them.

Conditions change and bond prices fluctuate in the same manner as prices in other lines. Bonds purchased a few years ago at high interest rates may now sell at a premium. Such an increase in valuation is a potential profit and is of no lasting benefit to the investors unless taken and capitalized. Very often opportunities to increase income or capital occur and are lost to the investor, due to failure to keep closely in touch with investments.

Women actively interested in social or some other particular work or business which places heavy demands on their time, are prone to adopt the "let well enough alone" policy. They look into a proposition, invest money for ten to thirty years and are quite content to draw interest and to receive the principal back at the appointed time.

Another reason for failure to take profit is the hesitation of many investors to sell a good investment, coupled with the worry of making a new one, feeling, perhaps, a slight lack of confidence in their judgment. Successful investment requires, in addition to the ability to choose the right securities, constant attention to changing conditions to take full advantage of the opportunities presented.

Points to be Watched

The following are a few items over which care should be taken by an investor upon receiving delivery of a security.

Examine scrip for signatures, and see that all necessary coupons are attached.

See that the scrip is not mutilated and that no writing appears other than that of authorized persons.

Do not write upon or tear securities.

Do not forget the periodical valuation of securities.

The woman who desires a small speculative tinge to her list of securities would do well to adopt the principal of investing 90 per cent. of her money in high class securities and 10 per cent. in low priced common stocks of staple industries.

Commercial Cable 4's Have 471 Years to Run

A bond with nearly five hundred years to run is Commercial Cable 4's, interesting to Canada because this is part of the Mackay Companies enterprises.

In a letter to customers, Roosevelt & Co., of New York, compare Commercial Cable 4's with numerous other bonds in the same class, from which the following extracts are made:

"There is no funded debt of any kind on any of the properties except these $20,000,000 Commercial Cable 4's. The rapid and successful development of these companies is shown by the following record of growth:

	1926	1922	1907	1897
Miles of cable ...	23,936	18,850	15,887	9,110
Miles of telegraph wire	341,403	272,000	223,922	90,000

"Commercial Cable first mortgage 4 per cent. gold bonds issued Jan. 1, 1897, maturing Jan. 1, 2397, authorized and issued $20,000,000, are secured by a first lien either by a direct mortgage or through the deposit of the stock of subsidiary companies upon the entire property of the Commercial Cable-Postal Telegraph System. The property under this mortgage is estimated by the company to have a value in excess of $80,000,000 and all property hereafter acquired becomes subject to the mortgage.

"The dividends paid by the Mackay Companies are 5.7 times the bond interest of Commercial Cable 4's. The growth of public utilities is almost universally made possible by new financing. In the case of the American Tel. & Tel. Co., for example, the increase in the value of the physical property and the increase in capital outstanding have been approximately equal. The growth of Commercial Cable-Postal Telegraph System without increase in funded debt and without financing in the last nineteen years, during which period the company has accumulated a large liquid surplus, is the best possible indication of the strong financial condition of this company."

ALBERTA'S LUMBER PRODUCTION

EDMONTON. — Lumber production in Alberta last year was valued at $841,000, according to finally revised figures issued by the Bureau of Statistics. A total of 32,700,000 feet of lumber was cut.

American Project to Develop Atlantic Tides

NEW YORK.—The 100 million dollar hydro-electric power project to be developed at Eastport, Maine, by utilizing the wide swings of the tides in Passamaquody Bay, appears to be now assured. Dexter Cooper, the hydraulic engineer in charge of this bold and daring experiment, announces the approval of the Dominion Government of Canada, which with that of the State of Maine and our own federal government, clears the way for actual work on the enterprise. It will require nearly a year for the army of surveyors to complete the preliminary work necessary for the construction of the series of dams and flood gates which will control the tidal flow. The swing of tides at this bay run from 20 to 28 feet and there is a vast volume of water to be handled, which will require concrete construction of the most substantial sort.

U.S. Public Utilities Pay Quarter Industrial Taxes

NEW YORK.—Seven hundred million dollars a year, or approximately 23 dollars every second of the day and night, are poured into the public coffers in the form of taxes by public utilities throughout the United States, says Arthur Williams, vice-president commercial relations of the New York Edison Co.

This is approximately one-quarter of all the taxes paid by the incorporated industries of the country.

Mr. Williams declared that in New York state the tax payment of the gas and electric companies alone will exceed 30 million dollars this year, and that in New York City approximately 10 per cent. of every electric light bill rendered is returned to the public treasury for the relief of general taxation.

Quebec Southern Power Corporation

6½% First Mortgage & Collateral Trust, 20-Year Sinking Fund Gold Bonds, Due May 1, 1945
Price: 99 and accrued interest, yielding about 6.60%.
Fully descriptive circular upon request.

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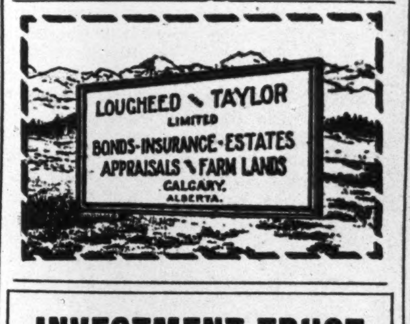

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just what your holdings are worth to-day. This analysis costs you nothing, and will enable you to tell whether you are getting a maximum return on your money. It is possible we may be able to suggest some advantageous "switches."

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Sun Life Will Have $400,000,000 to Invest in Next Five Years

How the Sun Life makes profits on its invested funds was told by T. B. Macaulay, president, in an address in Victoria recently. One stock, General Electrim, made $2,500,000 profit last year; total profits were $21,600,000, he said.

Other large stock holdings of the Sun Life, as Mr. Macaulay described them, include:

Three million five hundred thousand in preferred stock of the General Motors Corporation, which yields a return of 6.10 per cent., has no bonds in front of it for prior claim, is backed by the equity in the common stock which at the present New York price is valued at $700,000,000, and which preferred stock, Mr. Macaulay predicted would soon go to its redeemable price of $125 a share:

Sixty-five thousand seven hundred and fifty shares in the American Telegraph and Telephone Co., bought at a price to yield 6½ per cent., and which block makes the Sun Life the largest individual holder;

Stock in the Montreal Light, Heat and Power, which at present market prices, gives the Sun Life a profit of $5,500,000;

Big blocks in other stocks with the highest rating such as Brooklyn Edison, Consolidated Gas and Electric of New York City, Boston Edison, Detroit Edison, Commonwealth Electric of Chicago, which are all companies of outstanding character and public utilities or fixed earnings.

Why Bonds and Stocks Bought

"The Sun Life made $21,600,000 profit last year," Mr. Macaulay said. "Something that distinguishes us from all other companies is the character and profitability of our investments. During the war we devoted every dollar to investment in government bonds, and this patriotic move has had its own reward because all of these bonds have gone up in price now. We invested in long term bonds of the highest class on which we have made huge profits."

Mr. Macaulay explained that life insurance companies can invest in preferred and common stock of the highest class and which qualify for a certain standing as to earnings and record. He compared the investment of the large sums of the Sun Life in high grade stocks and bonds with those of other life insurance companies who have their funds spread out in small amounts across the country in mortgages, many of which are giving much trouble with payments in arrears, and on some of which the companies have to take a loss without any chance of a profit.

"We haven't one dollar of interest or dividends in arrears on any of our stocks," Mr. Macaulay went on.

Mr. Macaulay said that the Sun Life had doubled in size every five and one half years for the last fifty years and this rate was going to be kept up. He pointed out that to do this required an annual increase in business of under 15 per cent. but for the first six months of this year the Sun had increased its business at the rate of 24 per cent., which would mean a doubling in three years. In the next five years the company would have $400,000,000 of funds to invest.

"We now have a billion of insurance in force," Mr. Macaulay said. "It won't be so long before we have a billion of dollars of assets."

BIGGER APPLE CROP FOR N. B.

FREDERICTON.—The apple yield of New Brunswick this year will probably exceed that of 1925, judging by present indications. The orchards wintered well, except young trees in unprotected orchards which have been somewhat affected by mice. The apple bloom is considerably later than usual, varying with variety and locality. Last year the commercial crop amounted to 40,000 barrels, while the five year average was 31,850.

Massey-Harris Expected to Earn $13 Per Share on Common This Year

(Continued from page 1)

of its goods are sold to farmers on part payment plans. This item amounted to $8,677,171, although accrued interest of $880,000 had not been taken into account. But on the other side of the balance sheet is noticed a reserve of $1,726,990 for possible loss on these collections. This is 20 per cent. of the total. There may at one time have been need for a reserve of 20 per cent. on collections but with improved agricultural conditions there is no such need and this reserve is exceedingly generous, a point to be remembered by investors in considering the balance sheet figures. The reserve incidentally represents the highest percentage of the total receivables in the company's recent history. The percentage has grown from 12½% to 20% since 1921 although collection conditions have improved steadily since that time.

Surplus Reaches High Point

Company's reserves total $6,500,000 and of these reserves some are so general in nature that they could be added to the company's present profit and loss surplus of $2,359,883 to bring it to $3,661,440. Either way it is figured, the surplus is the largest in many years.

Cash position is powerful. Working capital totals $21,842,759, the highest since 1917 and nearly $3,500,000 above the low point of 1922. The ratio of current assets to current liabilities, which is usually about 2 to 1 in a sound industrial, has grown with the enlargement of assets and the reduction of liabilities. At the low point in 1921, there was $2.34 of current assets for each $1 of current liabilities. Now the figure stands at $6.54. The rise is shown in the following table:

RATIO OF CURRENT ASSETS TO CURRENT LIABILITIES

1917	$9.96 to	$1
1918	4.17 to	1
1919	3.08 to	1
1920	2.50 to	1
1921	2.34 to	1
1922	2.77 to	1
1923	2.77 to	1
1924	3.29 to	1
1925	6.54 to	1

Earnings in 1925 were equivalent to $4.67 on the new common and a loss in 1923 has been quickly translated into a profit as the following comparative table shows:

	1923	1924	1925
Gross inc.	$1,120,937	$1,065,180	$3,007,682
Less:—			
Interest	615,087	667,668	480,518
Deprec'n., etc.	174,709	282,567	939,165
Res. for acc.	233,309	....	....
Pension fd.	23,447	27,235	26,831
Taxes	95,834	....	150,000
Net inc.	$22,447x	$ 87,711	$1,411,173

xLoss.

Market record of the Massey-Harris stocks since listing has been as follows:

	Common		Preferred	
1926	High	Low	High	Low
Mar.	60	40	97	93
April	53	48	96	93
May	52½	45	96	94
June	53	52½	95	94
July to date ...	60	52½	94¾	94⅛

Municipal and Provincial Finance

PROVINCES MUST BE OBEYED WHEN HEALTH IS ISSUE

Owen Sound Case Calls Attention to Health Board Powers

THE test action brought in connection with an outbreak of typhoid fever at Owen Sound, to decide whether citizens who had contracted the disease had a financial claim against the municipality, and the decision against the city have aroused wide interest in the question of the liability of municipalities in the matter of providing public services to the taxpayers. Broadly speaking, there would appear to be little doubt of responsibility on the part of a municipality if it can be shown that it has ignored the provisions and regulations of the health act of the province in which it is located—provided of course that it can be proven that citizens have suffered as the result of such neglect.

In the following survey of the situation the Public Health Act of Ontario has been taken as the basis for discussion, not only because it bears directly on the Owen Sound case mentioned, but also because it is recognized as an outstanding example of health legislation in Canada and has been very higly commended by health authorities of international standing. In brief the act provides that before any municipality instals a waterworks system it shall be passed upon by the Provincial Board of Health, while, on the other hand, the board has the power to order the municipality to provide adequate facilities for a proper supply of the water.

The authority of the board in regard to new projects is set out in the following sections of the act:

Whenever any municipality contemplates the establishment of, or any change in an existing waterworks system, they shall submit the plans, specifications and an engineer's report of the water supply and the works to be undertaken, together with such other information as may be deemed necessary, to the provincial board, and no such works shall be undertaken or proceeded with until the source of supply and the proposed works have been approved by the board.

The board upon the application for such approval, may direct such changes to be made in the source of supply or in the plans submitted as it may deem necessary in the public interests.

No by-law shall be passed for raising money for the proposed water supply, until the source of water supply has been approved by the Provincial Board of Health.

Stiff Penalty Provided

The powers of the board in ordering adequate water supply facilities are also outlined in the act, which goes so far as to stipulate a stiff penalty in default of carrying out the board's orders:

Where the provincial board reports in writing that it is of opinion that it is necessary in the interest of the public health that a waterworks system of an adequate water or that any existing waterworks system or water purification plan, should be improved, extended, enlarged, altered, renewed or replaced, it shall not be necessary to obtain the assent of the electors to any by-law for incurring a debt for any of such purposes.

Where the provincial board has reported as provided by subsection 1, the council of a municipality shall forthwith pass all necessary by-laws for the establishment of the works reported upon and the corporation of the municipality shall immediately commence the work and carry the same to completion without unnecessary delay.

Every waterworks system or water purification plant, established for public use shall at all times be maintained and kept in repair as may be necessary for the protection of the public health and as may be directed by any special order of the provincial board or by the regulations.

Any municipal corporation or body or person refusing or neglecting to carry out the provisions of either of the two next preceding sections, after notice from the provincial board so to do, shall incur a penalty of $100 for every day upon which such default continues.

Sewer Regulations Similar

The Ontario Public Health Act's provisions as regards sewage installations both as to the need for such installations, cost, etc., and liability for neglect, are very similar to those which have been outlined in regard to water supply, and the same penalties apply.

Other Liabilities

The Public Health Act of Ontario also makes other important provisions for the maintenance of the public health for which liability attaches to the municipality. The financial responsibility for carrying out the provincial board's orders under the act is definitely stated:

The treasurer of the municipality shall forthwith upon demand, pay the amount of any account for services performed under the direction of the board and materials and supplies furnished, or for any expenditure incurred by the board or by the medical officer of health or sanitary inspector in carrying out the provisions of this act or the regulations, after the board has by resolution approved of the account and a copy of the resolution certified by the chairman and secretary has been filed in the office of the treasurer.

Care of Indigents

In a general way the act provides that the municipality shall assume responsibility for the care of its indigent residents. The act says:

The corporation of every municipality shall enter into an agreement with the medical officer of health or some other legally qualified medical practitioner resident in the municipality or in a municipality adjacent thereto for his medical attendance upon and care of persons suffering from the result of injury or disease who, in the opinion of the head of the municipality or of its relief officer, if any, are unable through poverty to pay for the necessary attendance, and who are not cared for in a public or private hospital.

Meeting Contagion

The health act of Ontario also places responsibility upon the municipality to check the spread of contagious diseases. Experience has taught that smallpox and other outbreaks usually spread because of neglect in the early stages, according to Dr. J. W. S. McCullough, Ontario's chief health officer. In the event of contagion being carried from one municipality to another the responsibility for dealing with it rests with the municipality where the outbreak occurs but there is provision whereby such municipality from which the person carrying the disease came. The act says:

Where, owing to the refusal or neglect of the medical officer of health, the local board or the corporation of any municipality, any communicable disease is brought into another municipality, the corporation of which incurs expense in preventing the spread of such communicable disease, the corporation of the municipality in default shall pay to the corporation of the municipality incurring such expense the whole amount thereof, and the same shall be recoverable as a debt in any court of competent jurisdiction.

B.C. Retires $5,000,000 of Debt by Sinking Fund Plan

British Columbia's policy of laying away ample sinking funds has resulted in the reduction of the gross provincial debt by $5,130,000 in the last twelve months, Hon. J. D. MacLean, minister of finance, stated in Victoria the other day. This announcement followed the minister's action in retiring a $2,000,000 loan entirely with the use of sinking funds on hand to meet it at maturity. With a loan retired in the same way last December $5,130,000 was cut off the province's gross debt — an achievement which has never been recorded by any other province, except Prince Edward Island, since Confederation.

Dr. MacLean outlined the sinking fund transaction in a statement issued at the finance department:

"In 1916 the sum of $2,000,000 was borrowed by the Bowser government for the requirements of the Pacific Great Eastern Railway; this loan was for ten years at 4½ per cent and sold at 91.5, and therefore cost the province 6.12. In the interval the sinking funds were invested advantageously and earned a surplus, above the amount required, of $169,000.

"While the original cost of the abovementioned loan was 6.12, judicious investment of sinking funds has brought the ultimate cost, spread over the whole ten years, from that rate to less than 4.99.

"It will be remembered that on Dec. 1, 1925, a similar retirement of sinking fund bonds took place, so that the province has retired in all during the past twelve months $5,130,000 of its gross debt.

"With the single exception of Prince Edward Island, the above transactions are the only instances in which any province of Canada, since Confederation, has retired the entire issue through the means of providing an adequate sinking fund."

This Week's Bond Sales

LAVAL DES RAPIDES ISSUE

An issue of $10,000, Laval des Rapides, Que., 5½ per cent., 20-year bonds, has been awarded to Versailles, Vidricaire & Boulais on a bid of 100.21. The bids were:

Versailles, Vidricaire & Boulais	100.21
Lagueux & Darveau	100.00
M. G. Brunelle	97.92

SCARBORO TOWNSHIP ISSUE

A. E. Ames & Co. were awarded a block of $166,601, Township of Scarboro, 5 per cent., 5, 10, 15, 20 and 30-instalment local improvement debentures at 99.50, or on a cost basis of 5.08 per cent. The bids were:

A. E. Ames & Co.	99.50
C. H. Burgess & Co.	98.96
H. R. Bain & Co.	98.39
R. A. Daly & Co.	99.43
Gairdner & Co.	98.63
Bell, Gouinlock & Co.	98.25

TORONTO SEPARATE SCHOOLS

The Toronto Separate School Board has sold a block of $100,000. five per cent. ,20-year bonds to C. H. Burgess & Co., at a price of 99.83. The list of bids follow:

C. H. Burgess & Co.	99.83
Fry, Mills, Spence & Co.	99.27
Bell, Gouinlock & Co.	99.19
Wood, Gundy & Co.	99.18
Gairdner & Co.	99.172
Dominion Securities Corp.	99.163
Dyment, Anderson & Co.	98.84
MacNeill, Graham & Co.	98.88
McLeod, Young, Weir & Co.	98.35
Murray & Co.	98.14

CITY OF PETERBOROUGH BONDS

H. R. Bain & Co. have been awarded an issue of $49,500, City of Peterborough, 5 per cent., 20 and 30-year debentures, for which tenders were called on May 7. The bids were as follows:

H. R. Bain & Co.	100.21
Wood, Gundy & Co.	100.18
A. E. Ames & Co.	100.13
Gardiner & Co.	99.872
The Toronto Bond Exchange	99.82
McLeod, Young, Weir & Co.	99.79
C. H. Burgess & Co.	99.78
R. A. Daly & Co.	99.78
Matthews & Co.	99.71
Municipal Bankers Corp.	99.63
MacNeill, Graham & Co.	99.537
Dominion Securities Corp.	99.39
Fry, Mills, Spence & Co.	99.39
Dyment, Anderson & Co.	99.33
Bell, Gouinlock & Co.	99.20

Montreal's Metropolitan Board Cheap Insurance

On the face of the figures that make up the annual report of the Island of Montreal Metropolitan Commission, $414,929 would seem a large sum of money to pay for a "watch dog" over suburban municipal finances and general administration, but the Montreal Gazette avers that the money is well spent. The amount is made up mainly of deficits of aided municipalities and payment of interest and sinking fund charges on loans sanctioned by the commission on behalf of these municipalities. Montreal contributes $341,875 to the annual assessment, bringing up the city's total contribution to the commission in the past four years to $1,199,559. The liability is heavy, but it is small in comparison with some of the burdens that in the past had to be undertaken when the bankruptcy of outlying municipalities resulted in their annexation being forced upon the city. So long as the Metropolitan Commission functions properly, experiences of this kind cannot be repeated, and, in the light of that fact and the guarantee it affords of good civic financial administration throughout its jurisdiction, the Metropolitan Commission may be looked upon as a comparatively inexpensive insurance.

Tenders and By-laws

July 24,—Kenora — $12,687, 5½ per cent. sinking fund debentures, and $16,636, five per cent., due 1953. F. J. Hooper, treas. (See announcement on page 16).

July 17, School Municipality of the Parish of Sainte Florence, P.Q.—$5,000, 6½ per cent. serial debentures. F. E. LePage, sec.-treas.

July 20, School Commissioners of the City of Cap de la Madeleine.—$110,000, five per cent. serial debentures. J. O. Loranger, sec.-treas.

July 27, Town of Bedford, P.Q.—$30,000, 5 per cent., serial bonds. F. Fortin, sec.-treas.

July 20, Nova Scotia.—$2,500,000, 4 and 4½ per cent. debentures, 2, 3, 10 or 20 years. E. R. Rhodes, prov. secretary.

July 24, Chippawa.—$67,500, 20-instal. debentures for paved streets. J. G. H. Youngs, clerk. (See announcement on page 16.)

July 19, Consumers Gas Co.—For purchase of 892 shares of the capital stock of the company, having par value of $89,200. Arthur Hewitt, gen. mgr.

UNLISTED BONDS

Abitibi 6% 1940	102½	..
Algoma Steel 5% 1962	29½	30½
Belding 5% 1936	89	..
Belgo Can. Paper 6% 1943	100	100¾
Burns, P. & Co. 6½% 1943	103⅛	104
Can. National Rly. 5% 1954	101	101⅝
Calgary Brewing 5% 1942	83	..
Can. Steamship Lines 7% 1942	104¾	..
Can. Pacific Rly. 5% 1934	99¾	100¼
Can. Pacific Rly. 5½% 1944	93⅝	94
Can. Steel Foundries 6% 1936	102	..
Dom. Iron 5% 1939	..	40
Dom. Textile 6% 1949	106½	..
Elect. Develop. 5% 1933	100⅝	..
Frontenac Brewery 6% 1951	97¾	99¼
Fraser Companies 6% 1950	96½	97½
H. Smith Paper 7% 1941	100	100¾
Laurentide Power 5% 1946	100	..
Laurentian Power 6% 1936	100¾	..
Prov. of Ontario 5% 1948	101¼	101⅞
Ontario Pulp 6% 1931	107	..
Price Bros. 6% 1943	103⅝	..
Quebec Power 6% 1953	103½	..
Winnipeg Elec. 6% 1954	95¾	96⅝
St. Maurice Power 6½% 1953	108⅞	..
Jam. Pub. Service 6½% 1943	102½	103½
Span. River P. 8% 1941	107	107½
Ottawa Mtl. Pr. 6½% 1949	101	..

BOND MOVEMENTS OF THE WEEK
Week Ending July 13

Bonds—	Int. Rate	Due	Yield	Range. High	1925 Low	Range, 1926 High	Low	Ask	Latest Bid	Price High	Low
Asbestos gen. mt.	6	1956	7 27	..	...	84⅝	84¼	84¼	84	84⅜	84¼
Asbestos	5	1942	5.20	100	80¼	98	92	97¾	96⅛	97¾	..
Can. Car	6	1939	5.72	103	101	102⅝	102½	103	102⅝	102⅝	..
Can. Canners	6	1950	6.14	96½	90	98¼	94	97	96¾	98¼	97
Can. Steam. deb.	5	1943	5.59	83½	77	93⅝	93⅝	93⅝	..	93⅝	..
Cedar Rapids	5	1953	4.96	99⅛	97	101½	98¾	..	100½	100½	..
Can. Cement	6	1929	4.91	103¼	100	103	101½	102¾	102½	103	..
Dom. Coal	5	1940	6.60	90	84	89½	85	..	85½	85½	..
Dom. Iron	5	1929	....	94	86	92	70½	..	71¼	71⅜	71¼
Montreal Trams. "A"	5	1955	5.48	98	92¾	95	92½	...	92⅞	93	92⅞
Montreal Trams	5	1941	5.16	98	94⅞	98½	97	..	98	98¼	..
Ont. Steel	6	1943	5.93	..	..	100⅞	100¾	..	100½	100⅞	..
Sao Paulo	5	1929	6.11	95	91	97⅛	95½	97⅜	97	97	..
Wayagamack	6	1951	6.55	98¾	84¼	93¼	91¾	93½	92⅞	93¼	93
War Loan	5	1931	4.66	102.65	101.10	102.40	101.15	101.60	101.45	101.55	101.15
Do.	5	1937	4.64	104.95	103.80	104.65	103.35	103.80	103.65	103.55	103.40
Victory Loan	5½	1927	4.80	103.15	101.70	101.75	100.65	101.10	101.00	100.85	100.65
Do.	5½	1933	4.72	107.00	105.10	106.80	104.60	104.80	104.65	104.85	104.60
Do.	5½	1934	4.96	104.80	103.20	104.10	103.10	103.45	103.35	103.55	103.30
Do.	5½	1937	4.70	110.00	108.15	109.30	107.35	107.85	107.70	107.75	107.60
Do. Renewal	5½	1927	4.85	102.95	100.80	101.95	100.25	100.85	100.70	100.90	100.55
Do.	5½	1932	4.98	104.20	102.60	103.40	102.00	102.85	102.70	102.80	102.40
Do. Refund	5	1928	4.73	104.45	100.15	101.30	100.05	100.35	100.25	100.20	100.05
Do.	4½	1940	4.80	97.25	92.00	96.70	95.60	96.30	96.15	96.45	96.00
Do.	5	1943	4.84	102.95	101.15	102.20	101.15	101.75	101.60	101.80	101.50
Do.	4½	1944	4.81	97.65	96.20	97.15	95.80	96.30	96.15	96.35	96.05
Do.	4½	1946	4.77	..	....	96.45	95.65	96.40	96.10	96.45	96.15

WEEKLY RECORD OF CANADIAN FINANCING

Place	Date	—Sold To—	Rate	Maturity	Amount	Price	Yield
Bond Sales—		**Municipal**					
Peterborough	July	H. R. Bain & Co.	5%	20 & 30 yr.	$49,500	100.21	...
Toronto Separate Schools	July	C. H. Burgess & Co.	5%	1946	100,000	99.83	5.02
Laval des Rapides, Que.	July	Versailles, Vidricaire & Boulais	5½%	1946	10,000	100.21	5.48
Riverside, Ont.	July	H. R. Bain & Co.	5½%	1946	350,000	....	...
Foam Lake, Sask.	July	Great West Life Assurance	6%	1941	11,500	102.435	5.75
Scarboro Township	July	A. E. Ames & Co.	5%	5 to 30 ins.	166,601	99.50	5.08
		Provincial					
Manitoba Treasury Bills	July	Banks	...	5 mos.	2,750,267	.....	4¼%
		Corporation					
Acadia Sugar Refining Co.	July	Royal Securities Corp.	6%	1946	2,500,000	96	6.35
Alberta Canadian, Collieries	July	H. S. Hegler, Edmonton	8%	1936	100,000	....	...
Stock Issues—							
Gosse Packing Co.	July	McLeod, Young, Weir & Co.	7%	Pref.	1,500,000	100	7%

Winnipeg Would Share Provincial Revenues

Everywhere in Canada, cities and provinces are arguing about distribution of tax sources.

Ald. J. A. McKercher, chairman of Winnipeg civic finance committee, says he will renew his efforts to get for Winnipeg a greater share of horse race license fees, amusement taxes, gasoline taxes and other provincial revenues. The city, he says, got only "a paltry $3,500 from the races last year, while the provincial government draws down $70,000 or $80,000. Yet we have to listen to claims from horse racing interests for lower license fees."

The city will apply to Premier Bracken for, among other things, the right to tax the Manitoba Government Telephone properties in Winnipeg. This would yield a revenue of about $40,000.

G & Co. Ltd.

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Real Estate Mortgages are one of the oldest and most soundly tested forms of investment. Realty Bonds offer the investor the same sound security plus the convenience and negotiability of a Bond. The troublesome details of collection of principal and interest, renewals, etc., are handled by an experienced Trust Company.

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MAPLE LEAF ASB. CORP. LTD.
ASBESTOS MINES, LIMITED.
BLACK L. ASB. & CHROME, LTD.

The present offering is a portion of an issue of $4,784,135 General Mortgage Bonds, guaranteed by a mortgage on all the assets of the Company, valued at over $20,000,000, and subject only to a prior issue of $3,000,000 of First Mortgage Bonds.

Price to yield 7%
Full particulars on request.

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71 St. Peter St., Quebec, Phone 2-6486.

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Investment Bankers,
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Offices at London and Belleville.

Total Assets in excess of $600,000
DOMINION FINANCIAL CORPORATION LIMITED
232 St. James Street Montreal
Mortgages Purchased

A Well-Secured Bond

In Nova Scotia a public utility is entitled to earn at least eight per cent. of the value of its property devoted to public service. Under the valuation of the Public Utilities Commission, the Avon River Power Company, Limited, is permitted to fix rates which will show earnings sufficient to pay bond interest practically twice over.

We highly recommend the 5½ per cent. bonds of this Company as a safe investment.

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At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.

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WINNIPEG

CANADA HAS THE CHEAPEST FARM LAND IN WORLD

Governor of the Hudson's Bay Company Discusses Situation

CONSERVATIVE RE OIL

An Important Field Discovered in Southern Alberta, But Value to Company's Lands Yet to be Decided

That land in Western Canada is cheaper than similar land in any other part of the world was a point made at the annual meeting of the Hudson's Bay Company's shareholders in London, recently, by Governor Charles V. Sale. During the company's last year sales of town property declined from £23,000 to £13,000, but sales of farm lands increased from £215,000 to £282,000.

Speaking as to the value of the company's lands, Governor Sale said:

When we come to the question of what our lands are really worth, I may point to the fact that at the present time the price of land in the prairie provinces of Canada is lower than similar land anywhere else in North America; and this despite the fact that the average tax on farm lands is lower in Canada than in the United States and that the average yield of spring wheat is higher.

Thus in the three states of North Dakota, South Dakota, and Minnesota the price of occupied farm lands in 1925 was $40, $70, and $100 respectively, against $25 to $30 an acre in Manitoba, Saskatchewan, and Alberta. When we come to yield we find that in the same year an average acre of land seeded to wheat in these three Canadian prairie provinces produced from $20 to $24 per acre, so that practically the price of the land was returned to the farmer in a single year. These figures suggest that farm lands in Canada are as low as they ever will be. Here, then, is the great inducement which Canada holds out to the immigrant farmer — the cheapest land with the highest yield in the North American Continent.

Canadian Farm Produce Yield

The proof of the pudding is in the eating. The people of these three provinces are the richest per capita in the Dominion—we might say they are as rich as any in the world—and the yield of Canadian farm produce last year—I mean the produce of the whole of Canada—was fully equal in value to the yield of all the coal mines in Great Britain. Canadian statistics show that not only are there opportunities still open to any newcomer who cares to make good and to share in the increase of great wealth, but every farming immigrant constitutes a new customer for the manufacturer, whether of Great Britain or of Eastern Canada, and so helps to redress the balance between town and country.

In these circumstances there should be no need to emphasize the great benefit of migration to Canada.

Legislation

Legislation concerning the transfer of natural resources to Alberta, to which reference was made a year ago, appears for the time being to have fallen through. In view, however, of the importance to the company of having its rights under the charter and deed of surrender fully safeguarded, it has been necessary for us to consider very carefully the form of this legislation, and we hope that if the project is revived, saving clauses satisfactory to us will be inserted in any legislation which may be passed.

The question of the company's rights to the precious metals under their lands is another matter which has recently been the subject of discussion. Under the original charter, the precious metals were conceded to the company in express terms, but as the Dominion government takes the view that the deed of surrender altered our rights in this matter, we have consented to submit the question to the Supreme Court of Canada with an appeal to the Privy Council.

The question has so far been an academic one, no precious metals having been discovered on the company's lands, but it is desirable, we think, to know exactly what our rights are in the event of such discoveries in the future.

Oil Lands

A conservative attitude regarding the development of the company's oil bearing lands was indicated by the Governor:

References have been made at previous meetings to negotiations with an important group in this country, having in view the possibility of developing those of our lands which might contain oil.

Whilst these negotiations were proceeding various difficulties came to light—some on one side and some on the other—and in the end both parties came to the conclusion that it would be better to abandon the comprehensive arrangement which we had been discussing.

In the meantime we have strengthened our own geological department in Winnipeg, and believe it will be possible to secure equal results with less risk of serious complication by dealing with each of our lots as a separate unit.

We have already advised you of leasing arrangements with the Imperial Oil Company of Canada, and others have since been made. We take a small annual rental, with a right to a share in any oil which may ultimately be found. Several wells are already being drilled on our lands on these terms, and the number will shortly be increased. Altogether 75 wells are now in course of drilling throughout the province of Alberta, and millions of dollars are being spent by pioneers in this work. The geological conditions are still uncertain, but two fields have been proved as producers—the Turner Valley and Wainwright—and their success has stimulated what is locally known as the "hunt for the Alberta oil pool."

An Important Field

The more important of these fields is the Turner Valley, about 45 miles south-west of Calgary. It is not an oil well in the ordinary sense, but produces about 20,000,000 feet of wet gas per day, from which 20,000 gallons per day of the very finest quality spirit has been produced for many months past.

The other field is near Wainwright, 150 miles east of Edmonton, where five wells have been drilled, only two of which, however, are producing a heavy crude oil in small quantities.

We own lands which are favorably situated in both these fields and also in two other localities which have attracted attention, but until there is absolute proof of production we must ask you to view any possibilities of revenue in the most conservative spirit.

Insurance for Buyer and Seller

Cats and Dogs of Investment Offered Widow for Insurance Money Left in a Lump Sum

A STORY FROM REAL LIFE.

WHEN we talk about insurance we talk about protection. The term is used too loosely. Life insurance does give protection, but to whom? Certainly not to the person insured. Life insurance does not add one day to the life of the person taking it out. Life insurance gives protection to some one else; a widow, a child, a business partner; or to all of these.

Realization of this has brought to the front a new idea in life insurance; the idea of making the protection carry on long after the policy has become a claim.

Here is the idea: a man is insured for, say, $10,000. He knows that when he dies his widow will collect $10,000. That sounds fine; it is as the man would have it. With the $10,000 the widow can do a lot of things. But can she?

Providing a Sure Income

The chief function of the bread winner is to provide a revenue for the family. When he dies his insurance money is there to do his work; to provide the income. But to provide that income and assure its continuance the money must be safely and profitably invested. Few beneficiaries are able soundly to invest life insurance money. It is too easily dissipated by investments made unwisely. And so there has arisen the monthly income policy. In this type of policy, the proceeds of the insurance fund are not paid over in one lump sum but rather are left with the insurance company. With the wisdom that is the product of years of successful investing, with wide diversification of investments, with ample opportunity for management of its resources, the insurance company can invest the proceeds of the policy to better advantage than the ordinary beneficiary. Each month, it pays over to the beneficiary the income earned on the money that might have been left in one lump sum; also it pays over a portion of the principal. In the end, the beneficiary has gained more than he could or she could have gained by investment of a lump sum unless the investments purchased had proven exceptionally profitable.

What Widows Are Offered

Let the man who is hesitating about the purchase of a monthly income policy consider the type of investment offered to the average widow. Let him judge of her ability to sift these investments, to pick the wheat from the chaff, and he will have little hesitation in putting his insurance upon a monthly income basis.

Recently, a Toronto widow was left a few thousand dollars. After paying debts, funeral expenses, etc., she found herself with a small home and some $4,000 in cash. The sum was lamentably small. Yet with that money she had to earn as large an income as possible.

Her funds were so small that she never came to the attention of the larger or the more reliable investment houses. She might have gone to a banker or a trust company and gotten seasoned advice as to what to do with $4,000. Eventually she put the money in the hands of a man of reasonably good judgment, but her money has nevertheless never been properly handled. But she was exceedingly fortunate to do as well as she did.

It would be illuminating to study the types of investments that were offered to this woman for the investment of her $4,000.

One man tried to sell her a good second mortgage, paying 12 per cent. That might have been a good investment. But she was in no position to judge. Second mortgages were decidedly out of her field.

Refinery to Make Her Rich

The next salesman who approached her was selling stock in a new refinery proposition in a small Ontario town. "It is a very attractive investment," he told her, and then added the usual tale told by oil salesmen: "I am investing in it myself." The oil refinery proposition was an out and out sink-hole for her money. Hundreds of other investors had fallen for the promises of its promoters. If her $4,000 had gone into it the chance of recovering any of her capital would have been meagre.

She was offered stock in a discount corporation. The stock was a reasonably satisfactory business man's investment. The company had a good board of directors and was slowly making progress. The stock was offered to yield about 10 per cent. But it was entirely unsatisfactory for a widow's money.

Offering 300 Per Cent.

An ambitious inventor heard of her money. "I will require $150 for six months, and I will give a bonus of $75 for the money," he said. He offered to repay the whole sum at the rate of $37.50 a month. That represented interest at the rate of about 300 per cent. per annum. Certainly a strong temptation.

A realty development company offered preferred and common stock in a subdivision company. The preferred was an 8 per cent. stock, but as it was being sold at $130 for each $100 of stock the actual yield was about what might have been obtained on a good municipal bond. True there was a block of common stock with the preferred, but the common was practically worthless. The unlimited earnings spoken of were decidedly in the future.

Another man was planning to rent an old building and turn it into a storage warehouse. He had the idea and the experience but wanted a partner with money. To anyone who would put up $2,000 he offered half the profits of the business besides a job at $40 a week looking after the office.

From a woman came a proposition that the two should join and go into the business of putting up home made marmalade and jams. "I know a woman who made a hundred thousand dollars that way," was the appealing story told.

Well Meant, But Poor Advice

In addition to actual offers of various investments, there were well-meaning friends a-plenty to give her advice. One of her distant relatives was sympathetic and wrote, "Why don't you buy second mortgages? I have paid dearly for what I have learned about mortgages, and so you can count on my advice as sound. Don't buy second mortgages on new properties. Buy second mortgages that have 2 or 3 years to run. Take the current rate of discount and you will make big money. And your money will be absolutely safe. Make sure that the first mortgage is not more than half the value of the house and also that the property owner has a fairly good equity in the place. His equity is your protection. Have each mortgage insured at the owner's expense. Engage a good lawyer for each transaction."

That is reasonably good advice but to anyone of ordinary comprehension it will be apparent that the worry and risk of second mortgages are not for the average widow.

Only one good investment was offered to this widow by one of the salesmen who approached her. A public utilities holding corporation offered its stock. The yield was around 7 per cent. There were certain risks, but on the whole the proposition was well tried and proven and the corporation exceedingly well managed.

Monthly income insurance makes it unnecessary for a beneficiary unversed in the mysteries of finance to be forced to choose between such a motley assortment.

Crown Life Agents Feast Company's Silver Jubilee

Ten men from the Toronto branch of the Dominion Life Assurance Company took a week-end trip through the Thousand Islands. The trip was offered by the Toronto manager, H. R. Petersen, as a prize for every man who wrote a minimum amount of $30,000 during April, May and June, provided the branch reached its quota for the half year.

Messrs. E. P. Hunter, T. G. Baker, S. C. Brasier, L. T. Teeple, R. K. Lewis, Chas. F. Richardson, J. Lorne Scott, were the fortunate men and were accompanied by the company's actuary, A. N. MacTavish, from head office, and the manager, H. R. Petersen. Others who should have been along, but were unable to go, were Messrs. T. A. Beamish, G. R. McBride, and W. S. Naylor.

Dominion Life Men Win Thousand Island Trip

An enthusiastic convention was arranged in honor of the 25th anniversary of the Crown Life by the Silver Jubilee Club of that company at the home office in Toronto, and at the Royal Muskoka Hotel, Lake Rosseau.

While the convention centred primarily about the Silver Jubilee Club, which comprises those agents of the company who have attained a certain high percentage of business written during the year, the proceedings on July 4 were participated in by most of the Ontario field force and the entire home office staff, and were in the nature of a general celebration of the 25th anniversary of this company.

Members of the Silver Jubilee Club, coming from all parts of Canada as far east as Halifax and as far west as Vancouver, as well as from Newfoundland, the United States and Cuba, were the guests of the company for the four days. The individual record in paid up business for the year is held by Brenton S. Brown, of the company's British Columbia agency, who was unanimously elected president of the club. The other members who qualified for membership, each with a very high individual record, are as follows:

A. de Campomanes, Haven, Cuba; C. J. Cahill, Newfoundland; M. Kaplan, Toronto; G. M. Martin, Swift Current, Saskatchewan; M. Dickstein, Montreal; P. E. Walters, Yarmouth, N. S.; J. P. Burke, St. Johns, Nfld.; H. L. O'Donoghue, Montreal; J. E. Phillips, Summerside, P. E. I.; F. LeTarte, Quebec; J. J. Kenny, Moose Jaw; O. Simoneau, Plessisville, P. Q.; F. V. Hamilton, Grand Rapids, Mich.; S. Diemand, Ottawa; S. Archambault, Montreal; F. C. Argue, Ottawa; H. E. St. Sauveur, St. Lucien, P. Q.; E. Forest, Montreal; J. R. Rondeau, Marieville, P. Q.; J. P. Wood, Moncton, N. B.; J. G. Bordeau, Granby, P. Q.; N. H. Trumbull, Detroit, Mich.; R. A. Welsh, Vancouver; C. H. Newson, Hamilton; L. E. Wood, Edmonton; W. J. Greenaway, J. A. Pelland, Montreal; A. H. McIver, Ottawa; R. C. Morden, Toronto; J. A. Soucy, Montreal; S. H. Poitras, Causapscal; W. H. Holland, Edmonton; F. Newman, Edmonton; J. F. Macdonald, Vancouver; J. H. Nixon, Barrie; O. Boisvert, Magog, P. Q.; L. Fortier, Montmagny, P. Q.; E. L. Stailing, Halifax; J. W. Lockhart, Moncton, N. B.; D. Godbout, Trois Pistoles, P. Q.; A. Moreau, Tourville, P. Q.; L. Renault, P. H. Paquet.

METROPOLITAN LIFE CHANGES

Some recent changes in the field are announced by the Canadian head office of the Metropolitan Life. They are as follows: W. H. Saitta, manager at Timmins, Ontario, is transfered to Niagara Falls, Ontario; W. K. Laflamme, assistant manager at Quebec, is appointed manager at Timmins; J. E. Robinson, formerly assistant manager at Fort William, Ontario, is appointed assistant manager at North Bay. C. F. Peavoy, agent at Fort William, appointed general assistant manager in Canadian territory; Jean Demers, agent at Verdun, Montreal, is appointed assistant manager at Verdun; Francis Baskwell, agent at Verdun, Quebec, is appointed assistant manager at Verdun.

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Benefits—$5,000 for natural death. $10,000 for accidental death. $50 a month for total and permanent disability with all future premiums paid by Company and $5,000 paid dependents at your death,
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AT the age of twenty a certain young man started to work.
His father wanted him to adopt a compulsory savings habit, and advised the young man to take out a Mutual Life Insurance Policy.
The father agreed to pay *half* the premiums on the $10,000 policy for the first five years to give the boy a good start, as the annual premium of $476.50 was a big part of the young man's salary at that time.
The young man took out the policy. That was 20 years ago. Today he is a man of 40. And he has just received in cash from the Mutual Life $3,345.10 *MORE* than he paid in premiums.
If you are a young man in the twenties, ask the Mutual Life agent about the policies similar to the one mentioned.
The MUTUAL LIFE of Canada
WATERLOO, ONTARIO
940

Current Events in Banking World

Making it Easy to Pay Your Way While on the Summer Vacation

In Canada, United States or Abroad Facilities Are Offered Which Remove the Complications of Foreign Exchange for the Traveler

By A. B. BARKER.

The holiday season is on us, and everyone who can manage it arranges a trip somewhere. Some go to the sea, others to the country, and others possibly more fortunate go abroad. To all, however, who go away from home, the question of a supply of funds which they can use is a problem, which is solved only through the perfection of the banking arrangements at the present time.

When the place visited is in the same country this is not apparent, as the ordinary currency of the country will pass current in both places, and failing an adequate supply it is generally a question of finding someone who will negotiate a cheque. If there is a branch bank in the neighborhood this is usually easy to arrange, provided the party is known or can be properly identified.

Most summer hotels are situated at points where no bank is available, but, as the management of the hotel does its banking at one of the larger centres, the matter can be arranged. Otherwise the cheque must be sent forward through some other agency for collection, and the rate charged for the service is usually several times that which would be charged by a bank.

Where the place to be visited is in another country the case is different. This for the reason that the currency of one country is not money in another. It is merely a promise to pay money, and must be sent to the country of issue for redemption. Then its only use is exchange for goods or services. This is true even of gold, which although used to settle debts between parties in different countries none the less passes by weight in such transactions. A coin is simply a piece of metal the weight and fineness of which is certified by the Government stamp on it. The weight and fineness, not the value, is warranted by the coinage. The value depends on what it will buy in the ordinary course of trade.

In Canada American currency is generally accepted in the ordinary course, but it does not generally remain in circulation here. In the ordinary course it will find its way to the bank by which it will be sent to its nearest American correspondent for credit, the balance thus accruing being then available by drafts which may be purchased by those in Canada who have debts to meet in the United States. The same with Canadian currency in the United States, though away from the border and Canadian travel the public do not know it, and therefore will not generally accept it.

Our currency is in the same denomination as American currency, and the standard is the same, and for this reason these facts are not generally realized.

On the Continent

In Great Britain, and on the continent, it is much easier to recognize the difference as the denominations are not the same and people would not therefore as a rule expect dealers to accept Canadian currency. In the old days it was customary when going to travel in a foreign country to change one's home currency for money of the country, and those who dealt in it made big profits from the stiff rates they charged, and the forehanded traveler would, before he left home, try to buy what he could, and also bought bank drafts on some bank in the place he was going to. This draft would be expressed in terms of the currency of that country, so that he knew definitely what he would receive when he presented it.

The banks arranged for letters of credit, to be supplied by them to customers against which cheques could be drawn as funds were required. The amounts of such cheques when issued would be endorsed on the back of the letter of credit, and its value decreased by that amount. For traveling on the Continent of Europe it was usual to issue these letters of credit in pounds sterling on a London, England, bank. Cheques drawn against it would be drawn in sterling, and the bank negotiating them would pay for them at the current rate for cheques on London. If negotiated in some branch in England the bearer would reserve the face amount of the cheque, less the ordinary commission charged on cheques on London. If the bearer were in France the cheque would be in sterling and the cashing

(Continued on page 20)

What's This About Golf?

VICTORIA.—C. W. Rowley of Toronto, assistant general manager of the Canadian Bank of Commerce, is at the Empress Hotel where he compares the businessman of to-day with the pioneer business man of Canada, and blames golf for his degeneration.

"When you wanted to find a business man a few years ago you went to his office," Mr. Rowley said. "Now you have to go out to the golf links. The automobile has resulted in hundreds of people traveling around the country without any definite object in mind."

Mr. Rowley is going on down the coast to visit the bank's branches in Seattle and Portland.

Actual Records of Banks Not Used in Courts Now

From Our Own Correspondent.

MONTREAL.—There is to be an important change in the Canadian laws of evidence affecting bankers. In the past, banks have been caused considerable inconvenience by being forced to carry some of their records or books before the courts. But now, a bill, which has passed the House of Commons and the Senate and only requires Royal assent, will allow the courts to accept as evidence in future a sworn copy of the bank's books.

Thus, instead of taking, say, a ledger to court, the bank manager will be able to make a copy of those accounts which are required as evidence and may either swear orally as to their accuracy, or may swear out an affidavit before a commissioner or other person authorized to take such oaths. It is thought probable that the bill will receive Royal assent in the autumn.

Do People Hoard Money? 14-Year-Old Bills Say Yes

One of the Eastern Townships branches of the Canadian Bank of Commerce got in $300 of Eastern Townships bank bills in the course of a recent month.

The Eastern Townships bank was absorbed fourteen years ago and the manager is now quoting the incident to show how long some people hoard their money even in these enlightened days with interest paying saving institutions dotting the country.

Weekly Bank Clearings

(In comparison with the same week last year)

EASTERN CITIES

	July 9, 1925	July 8, 1926
Halifax	$4,039,480	$5,158,699
St. John	5,156,723	3,347,204
Moncton	978,696	1,122,065
Sherbrooke	850,842	1,205,723
Quebec	6,926,623	9,021,226
Montreal	107,993,606	131,054,197
Ottawa	7,490,674	8,230,881
Kingston	1,051,981	1,272,130
Peterborough	1,082,728	1,325,763
Toronto	106,458,464	121,008,246
Hamilton	6,607,879	6,453,688
Brantford	1,837,130	1,696,491
London	3,680,263	3,722,418
Chatham	....	796,207
Kitchener	1,055,246	1,118,791
Sarnia	....	702,899
Windsor	4,087,127	4,839,794

WESTERN CITIES

	July 9, 1925	July 8, 1926
Ft. William	$ 815,535	$1,126,434
Brandon	816,901	833,771
Moose Jaw	1,397,381	1,628,742
Saskatoon	1,725,968	2,162,107
Pr. Albert	373,623	476,811
Lethbridge	668,492	653,427
Calgary	7,325,527	7,951,394
Edmonton	5,205,914	6,119,890
New Westminster	847,020	1,403,874
Victoria	2,536,486	2,868,850
Vancouver	18,061,140	20,677,928
Winnipeg	52,117,839	56,268,638
Medicine Hat	445,295	503,706

He May Pay His Debts When He Gets Out

One of the customers of a branch bank in Western Canada skipped the town leaving a lot of unpaid bills including an obligation to the bank. The bank set its communication lines to work tracing the missing creditor and eventually found him.

He was in San Quentin, Cal., the bank learned. The query "What is he doing there and how long is he going to stay?" brought the answer that he was serving a term of a mere fifty years in the prison at that town. The bank may make a note of the debt, but the officers are afraid they will have to wait a long time for their money.

Staff Gossip

Mr. Ingles of the Bank of Montreal staff here, has been transferred to a Toronto branch.—Star, Creemore.

* * *

T. W. Rhind has been appointed manager of the Dominion Bank here in place of Mr. Grant, who is going to Lindsay. Mr. Rhind has been residing in Toronto and has been relieving the managers of various banks as required. — Herald, Marmora.

* * *

J. P. Dougherty, assistant manager of the local branch of the Standard Bank, has been promoted to the rank of manager, and has been assigned to take charge of the branch in Tavistock, near Stratford. Mr. Dougherty commenced his career with the Standard Bank in Midland, his native town. He came to Chatham from that place six years ago to fill the position of assistant accountant.—Daily News, Chatham.

Tempus Fugit

BANK OF MONTREAL
Head Office,
Montreal, July 6, 1926.

Dear Sirs:

The item appearing in your issue of the 25th of June last under the caption "Staff Gossip," and credited to the "Times," Moncton, must have been gleaned from the files of twenty-five years ago as Mr. H. R. Boulton referred to has long since retired from the service. Mr. O. R. Campbell is deceased and Mr. H. Daniel is no longer in the bank's service.

I am,

Yours very truly,
G. B. SNELL,
Assistant secretary.

The Financial Post,
Toronto.

The explanation is that the clipping as forwarded to the editor of this page did not indicate that it had been taken from a "25-year-ago" column of the paper referred to—as it evidently had—J. W. T.

To Create Additional Markets for Call Money

NEW YORK.—The Associated Stock Exchanges, which held their first annual convention at the Book-Cadillac Hotel, Detroit, Mich., on June 21 and 22, will seek to create a call money market for funds at a rate of one-half of one per cent. above the prevailing New York rate and brokers will have three delivery days in which to take care of loans, these three days being exclusive of Saturdays, Sundays and holidays, according to R. W. Simonds, president of the association.

ROYAL BANK STARTS BUILDING

MONTREAL. — Work on the new twenty-story Royal Bank building here begins on August 15. It will be erected at a cost of from $4,000,000 to $5,000,000, and will be completed in the spring of 1928. In the meantime the buildings which at present occupy the site of the new structure are being razed.

Reductions in Call Loans and Savings Deposits During May

The expansion in current bank loans which has been noted in recent months was checked during May, according to the government return of the chartered institutions. There was a decline in commercial credits during the month of $4,450,000. At the same time there was a decline in savings deposits of $5,600,000, also a changed trend for the time being. However, study of May bank returns for previous years indicates that these declines are largely seasonal and this robs them of particular significance. Demand deposits increased by about $2,000,000. Circulation increased by over $3,000,000. Call loans abroad increased over $10,000,000—evidently a reflection of the revived interest in the stock market in New York. Call loans in Canada were reduced by $4,450,000 and current loans abroad by nearly $5,000,000.

Gross assets declined by over $18,000,000. Other reductions than those referred to above were in specie, Dominion notes, gold reserve, government securities and deposits in foreign banks. Following are comparative figures for the month and year:

BANK STATEMENT FOR MONTH OF MAY

	May, 1926	April, 1926	Change	May, 1925	Change
ASSETS					
Immediately Available Liquid Resources					
Specie	$ 59,258,603	$ 66,992,733—	$ 7,734,130	$ 56,579,526+	$ 2,679,077
Dom. notes	112,002,263	117,323,061—	5,320,798	132,479,228—	20,476,965
Gold Res.	60,260,332	62,460,332—	2,200,000	55,302,533+	4,957,799
For. Banks	65,681,243	72,850,741—	7,169,498	55,097,959+	10,583,284
For. Curr.	28,242,354	28,189,948+	52,406	26,303,900+	1,938,454
Gov. Secs.	350,183,078	355,888,016—	5,704,938	358,433,267—	8,250,189
Call Loans, abroad	216,745,354	205,844,448+	10,900,906	209,792,377+	6,952,977
	$ 892,373,227	$ 909,549,279—	$17,176,052	$ 893,988,790—	$ 1,615,563
Loans and Securities Other Than Those of Canadian Government					
Pub. Secs.	$ 129,295,639	$ 130,213,699—	$ 918,060	$ 156,716,769—	$ 27,421,130
Rly. Secs.	64,705,820	63,726,514+	979,306	59,449,368+	5,256,452
Can. Call Loans	143,425,255	147,879,528—	4,454,273	111,579,359+	31,845,896
Current	926,508,698	930,964,621—	4,455,923	909,091,414+	17,417,284
Loans abroad	268,147,515	273,101,814—	4,954,299	220,423,303+	47,724,212
Prov. and Mun. Loans	102,215,554	93,753,653+	8,461,901	93,896,961+	8,318,593
	$1,634,298,481	$1,639,639,829—	$ 5,341,348	1,551,157,174+	$ 83,141,307
Other Assets					
Non-Curr. Loans	$ 9,370,143	$ 9,503,316—	$ 133,173	$ 11,574,654—	$ 2,204,511
Real Estate	8,320,192	8,547,915—	227,723	8,626,464—	306,272
Mortgages	5,715,034	5,376,630+	338,404	4,192,634+	1,522,400
Premises	71,708,213	72,316,764—	608,551	73,008,867—	1,300,654
Lets. of Credit	75,079,631	73,991,438+	1,088,193	57,334,259+	17,745,372
Loans to Comp.	5,084,342	5,089,152—	4,810	5,744,006—	659,664
Other Assets	3,081,575	3,005,258+	76,317	3,540,699—	459,124
	$ 178,359,130	$ 177,830,473+	$ 528,657	$ 164,021,583+	$ 14,337,547
Total	$2,705,030,838	$2,727,019,581—	$21,988,743	$2,609,167,547+	$ 95,863,291
Note circ. dep.	5,810,527	5,810,527	....	6,235,845—	425,318
Int. Bk. Bal.	129,604,624	125,718,853+	3,885,771	112,879,372+	16,725,252
Gross	$2,840,445,989	$2,858,548,961—	$18,102,972	$2,728,282,764+	$112,163,225
LIABILITIES TO THE PUBLIC					
Circulation	$ 164,334,624	$ 161,311,976+	$ 3,022,648	$ 162,045,843+	$ 2,288,781
Dom. Govt.	41,433,238	41,894,451—	461,213	38,350,149+	3,083,089
Prov. Govt.	22,705,481	27,285,727—	4,580,246	26,413,440—	3,707,959
Govt. Advances	15,800,000	21,000,000—	5,200,000	16,600,000—	800,000
Deposits by Public					
Demand Dep.	539,227,960	537,262,710+	1,965,250	472,724,316+	66,503,644
Savings Dep.	1,334,842,107	1,340,450,250—	5,608,143	1,259,879,335+	74,962,772
Total Can.	$1,874,070,067	$1,877,712,960—	$ 3,642,893	$1,732,603,651+	$141,466,416
Foreign Dep.	322,922,325	325,985,694—	3,063,369	372,300,618—	49,378,293
Due to Banks Abroad, Etc.					
United Kingdom	$ 3,947,661	$ 5,091,086—	$ 1,143,425	$ 9,858,679—	$ 5,911,018
Foreign	40,986,364	40,075,291+	911,073	34,897,150+	6,089,214
Bills Payable	10,502,642	9,765,726+	736,916	10,692,439+	440,203
Lets. of Credit	75,079,631	73,991,438+	1,088,193	57,334,259+	17,745,372
Other Liabilities	1,678,511	1,714,534—	35,963	1,531,702+	146,869
Public Liabilities	$2,573,460,604	$2,585,828,883—	$12,368,279	$2,461,997,930+	$111,462,674
Due Between Banks	9,097,750	10,971,245—	1,873,495	9,036,165+	61,585
Liability to Shareholders					
Dividends	$ 2,635,970	$ 1,327,548+	$ 1,308,422	$ 2,681,645—	$ 45,675
Reserve	125,441,700	125,441,700	....	122,191,700+	3,250,000
Capital	116,164,660	116,164,660	....	120,164,660—	4,000,000
Gross	$2,826,800,684	$2,839,734,036—	$12,933,352	$2,716,072,100+	$110,728,584

Canadian National Railways

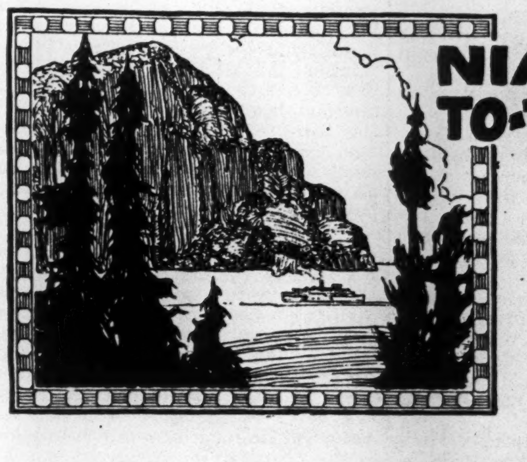
BUREAU OF INFORMATION

A STAFF of officers, qualified to give information of the widest possible character, based upon a practical knowledge of the country, is maintained for the convenience of all persons desirous of investigating opportunities in Canada for investment of capital in development of industrial, mining, sylvan industries and water power.

Enquiries invited.

Natural Resources Branch,
C.N.R. General Offices, Montreal, P. Q.

C. Price-Green,
Commissioner.



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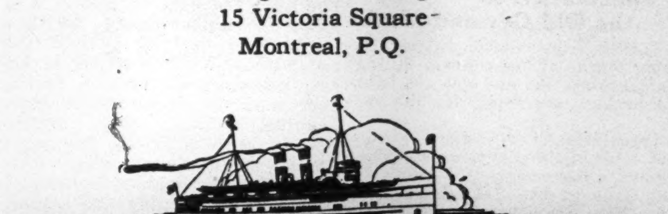


CANADA STEAMSHIP LINES *Limited*

Return of the Chartered Banks of the Dominion of Canada, May 31, 1926

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 32, of The Statutes of 1923

LIABILITIES

NAME OF BANK	Notes in Circulation	Due to Dominion Government	Advances under Finance Act	Due to Provincial Gov'nm'ts	Demand Deposits in Canada	Notice Deposits in Canada	Deposits elsewhere	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks elsewhere	Bills Payable
	$	$	$	$	$	$	$	$	$	$	$
Montreal	42,668,464	25,214,128	....	7,204,829	134,075,906	376,951,262	70,704,724	1,963,087	878,479	4,825,940	56,432
Nova Scotia	14,325,316	1,364,128	....	733,097	31,362,373	118,114,827	34,599,956	2,143,000	584,811	2,146,148	396,091
Toronto	7,206,067	570,161	600,000	463,026	31,438,024	54,737,689	....	257,900	121,904	1,519,610	445,000
Provinciale	3,917,273	154,796	....	207,697	5,330,872	30,583,925	....	....	....	10,511	....
Commerce	25,925,844	5,815,469	10,000,000	2,778,116	115,714,077	217,559,239	39,325,037	429,612	1,319,680	14,319,595	1,347,409
Royal	35,576,906	5,388,099	....	6,747,925	123,889,766	274,171,305	174,591,477	1,084,765	322,367	15,390,494	7,942,782
Dominion	7,124,633	773,732	2,700,000	282,951	27,094,667	63,443,912	2,555,477	797,061	251,486	1,258,628	314,928
Standard	6,028,700	327,930	2,500,000	489,447	20,233,868	48,734,321	....	1,151,376	336,591	545,277	....
Nationale	11,424,394	859,041	....	1,012,503	19,530,698	84,406,717	1,145,654	434	115,521	563,806	....
Imperial	9,635,072	889,202	....	2,765,816	29,165,228	63,851,351	....	1,270,515	16,822	387,316	....
Weyburn Security	501,955	76,552	....	20,074	1,392,481	2,287,559	....	....	....	19,039	....
Total	164,334,624	41,433,238	15,800,000	22,705,481	539,227,960	1,334,842,107	322,922,325	9,097,750	3,947,661	40,986,364	10,502,642

NAME OF BANK	Letters of Credit	Other Liabilities	Dividends Declared & unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	% last dividend	Loans to Directors	Average gold and Coin Held	Average Dominion Notesheld	Greatest amount notes in circ
	$	$	$	$	$	$	$	%	$	$	$	$
Montreal	10,255,962	738,077	908,626	29,916,700	29,916,700	736,279,322	31,175,000	12	2,749,801	23,752,227	44,122,508	44,329,282
Nova Scotia	5,998,318	80,816	4,948	19,500,000	10,000,000	241,353,837	15,000,000	16	1,223,203	9,428,412	8,448,717	15,158,176
Toronto	1,305,364	216,872	151,754	7,000,000	5,000,000	111,033,372	10,000,000	12	936,742	436,898	6,313,332	7,450,205
Provinciale	28,500	42,242	71,523	1,500,000	3,000,000	44,847,341	5,000,000	9	....	181,136	240,590	4,040,108
Commerce	14,141,489	....	604,569	20,000,000	20,000,000	489,280,140	25,000,000	12	5,078,218	17,442,000	16,558,000	27,035,900
Royal	34,432,711	....	745,678	24,400,000	24,400,000	729,084,281	30,000,000	12	1,658,024	11,023,178	17,693,200	37,472,017
Dominion	7,328,142	445,516	1,009	7,000,000	6,000,000	127,372,147	10,000,000	12	1,013,116	2,136,000	3,945,000	7,290,889
Standard	382,842	155,000	5,503	2,900,000	4,823,400	88,614,259	5,000,000	12	346,554	571,499	2,887,338	6,090,675
Nationale	723,426	....	137,626	5,500,000	5,500,000	130,919,825	10,000,000	10	87,763	767,051	3,606,658	12,504,804
Imperial	482,877	....	4,734	7,500,000	7,000,000	122,968,938	10,000,000	12	835,277	974,223	7,165,693	9,804,817
Weyburn Security	....	....	....	225,000	524,560	5,047,222	1,000,000	5	104,785	23,163	53,173	501,955
Total	75,079,631	1,678,523	2,635,970	125,441,700	116,164,660	2,826,800,684	152,175,000	.....	14,033,483	66,735,787	111,034,209	171,678,828

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Notes of other banks	United States and other foreign currencies	Cheques on other banks	Balances due from banks in Canada	Due from banks elsewhere	Government securities	Canadian municipal British and foreign Securities	Railway and other bonds and stock	Call loans in Canada	Call loans elsewhere
	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	23,303,193	43,640,719	3,931,022	1,128,081	22,716,590	150,817	19,268,963	91,019,821	32,146,415	3,556,527	15,254,450	115,798,559
Nova Scotia	9,364,981	6,433,827	1,227,883	2,622,069	11,189,094	....	2,173,754	31,302,474	10,826,066	15,103,120	17,816,739	13,408,401
Toronto	441,942	4,397,202	619,680	124,653	6,352,194	....	1,724,705	21,529,542	7,075,290	4,037,523	6,780,511	1,500,000
Provinciale	192,499	260,431	630,650	81,472	1,925,142	2,127,584	459,935	4,848,752	1,396,790	2,828,314	8,972,870	....
Commerce	10,239,998	16,077,114	2,506,825	1,881,811	17,749,561	....	16,704,574	59,083,180	26,503,559	12,132,062	26,387,302	29,625,539
Royal†	11,147,130	22,881,491	3,980,088	21,611,655	28,294,067	37,892	19,807,505	74,128,917	24,931,430	19,867,125	32,643,920	45,339,646
Dominion	2,132,423	4,777,217	1,162,670	213,821	5,460,258	....	1,649,696	18,466,339	5,411,428	2,489,073	9,191,211	4,673,209
Standard	591,897	3,745,347	626,555	92,514	5,465,709	....	1,001,159	12,304,745	3,247,244	2,861,490	9,794,396	....
Can. Nationale§	850,746	3,095,348	1,454,960	201,052	3,685,336	680,132	844,974	20,439,407	10,841,098	1,299,612	7,211,723	1,000,000
Imperial	970,408	6,637,994	1,268,777	282,083	5,205,425	658,737	1,943,196	16,193,284	6,907,005	59,980	9,372,133	5,400,000
Weyburn Security	23,386	55,573	31,325	3,143	32,197	433,454	102,782	866,617	9,314	470,994	....	....
Total	59,258,603	112,002,263	17,440,435	28,242,354	108,075,573	4,088,616	65,681,243	350,183,078	129,295,639	64,705,820	143,425,255	216,745,354

NAME OF BANK	Other current loans in Canada	Other current loans elsewhere	Loans to Municipalities and to provinces	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank premises	Letters of Credit	Deposit for note circulation	In central gold reserves **	Shares of and loans to controlled companies	Other assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	222,890,047	61,872,428	36,631,796	2,646,052	920,183	1,290,591	11,950,000	10,255,962	1,282,241	14,000,000	1,442,469	532,462	737,629,397
Nova Scotia	73,674,198	19,938,440	7,601,295	325,492	63,706	115,454	7,393,656	5,998,318	477,272	5,750,000	....	187,774	242,994,024
Toronto	46,388,418	....	2,232,860	206,070	....	212,663	3,501,162	1,305,364	249,267	3,055,866	....	....	111,734,922
Provinciale	15,730,840	....	1,509,356	182,035	418,937	92,831	1,738,767	28,500	155,800	1,150,000	....	209,961	44,941,474
Commerce	173,356,754	29,751,682	26,922,935	1,904,428	2,345,271	832,902	11,898,899	14,141,489	1,000,000	8,500,000	1,499,547	401,671	491,447,112
Royal†	188,467,445	154,693,312	10,817,903	2,568,918	2,324,232	1,237,056	14,807,301	34,432,711	1,440,000	14,000,000	2,142,326	562,372	732,164,454
Dominion	55,217,278	1,145,534	875,898	326,361	59,422	19,370	5,931,655	7,328,142	310,000	1,700,000	....	358,584	128,899,597
Standard	40,753,975	....	1,905,202	606,624	309,816	178,873	3,735,563	382,842	258,000	1,500,000	....	148,033	89,509,994
Can. Nationale§	57,352,051	746,119	6,134,815	190,668	1,074,039	1,098,002	5,503,966	723,426	283,419	6,500,000	....	186,356	131,397,260
Imperial	50,460,426	....	7,542,722	340,685	618,400	530,375	5,003,867	482,877	327,797	4,004,466	....	414,121	124,624,770
Weyburn Security	2,217,266	....	40,772	72,810	186,186	106,917	243,377	....	26,731	100,000	....	80,133	5,102,985
Total	926,508,698	268,147,515	102,215,554	9,370,143	8,320,192	5,715,034	71,708,213	75,079,631	5,810,527	60,260,332	5,084,342	3,081,467	2,840,445,989

**Of this deposit, $26,910,333 is in gold coin; the balance is in Dominion notes.

*The business of the bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris. As the entire capital stock of the Royal Bank in Canada (France) is owned by the Royal Bank of Canada, the assets and liabilities of the former are included in the above return.—Footnote to Royal Bank return.

§The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidy of the Banque Canadienne Nationale are included in above return.—Footnote to Banque Canadienne Nationale return.

DEPARTMENT OF FINANCE, OTTAWA, JULY 7, 1926.

The Foreign Exchanges

Conducted by S. J ZACKS

A greater feeling of confidence in the continental exchanges is in evidence as two dictatorships are finally in the actual making. As a result of the financial crisis it appears that King Albert, of Belgium, and Caillaux may get the necessary power for monetary stabilization, while Italy is considering the advisability of making Mussolini and his cabinet responsible and the King rather than to the Legislature. Monetary and financial difficulties have largely directed the politics of three European countries and too much politics has aggravated the financial difficulties, making vital dictatorship necessary.

The Belgian Chamber of Deputies has adopted on first reading a bill to give King Albert full power to issue such decrees as he may see fit for stabilizing the exchange. Finance Minister, Caillaux will submit a similar bill to his Finance Committee.

Institution of a new gold basis currency will be the first step which will likely be taken by the new Belgian dictator on the advice of government experts.

Undoubtedly Caillaux's position has been greatly enhanced by the very favorable debt settlement with Great Britain. He will in all probability now be granted the powers he needs. Caillaux has announced that a permanent committee has been appointed to watch over the exchange markets, headed by the governor of the Bank of France.

This week then has been one replete of constructive forces which carry a new life to some of the trailing European members. The broad mindedness of Britain's generosity has paved the way for the long delayed rehabilitation.

Publication of U. S. foreign trade figures for June show exports $338,000,000, imports $337,000,000. The $1,000,000 export surplus compares with an export surplus of $38,000,000 for May. The relative decline of exports is a natural consequence. U. S. is now a creditor nation and must expect to receive payment of her debts in goods. An import surplus might imply that debts are being paid. This does not necessarily mean, however, that U. S. is losing ground in the foreign markets, since there has been no substantial decline in exports. The higher prices for imported raw material such as rubber, might also help to explain the relative rising reports. For the year ending June 30, 1926, exports were valued at $4,753,516,204, a decrease of $111,069,960 under last year, while exports totaled $4,466,687,493, an increase of $642,559,118.

There has been no change in the Canadian situation, the premium continuing strong.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
July 8	3-32	1-8	1-32	1-32
July 9	1	9-16	1-32	1-32
July 10	1-8	1-8	1-32	1-32
July 12	9-64	9-64	1-32	1-32
July 13	9-64	9-64	1-32	3-64
July 14	9-64	9-64	1-64	3-64

STERLING, FRANCS AND LIRE

	Sterling Close	Francs Close	Lire Close
July 8	4.85 15/16	2.58	3.44¾
July 9	4.85 15/16	2.54¾	3.46¾
July 10	4.85 15/16	2.60½	3.47¾
July 12	4.85 15/16	2.52½	3.37½
July 13	4.86	2.57	3.42¾
July 14	4.86 1/16	2.54	3.41¼

FOREIGN EXCHANGE

Par		July 7	July 14
19.30	Italian	3.33¾	3.41
23.82	German	23.78	23.78
32.45	Brazil	15.78	15.75
19.30	Belgium	2.51	2.35
94.85	Japan	46.84	46.95

More Speculation in the Old German Marks

NEW YORK.—Speculation in the German paper marks of the pre-war vintage has again broken out and has set bankers and brokers searching for the reasons.

The speculation has centred in one type and color of the many issued by the old German government, this being the red seal issue of the Reichsbank issue of 1910. The green seal note of the same year was not included to the extent of the red, although there was a stirring up in this color.

Several explanations were offered as the immediate cause for the gambling. One was the promise to pay in gold, which is stamped on the notes, might be used as a legal means for compelling the Reichsbank to pay, if not in gold, at least a high revaluation percentage of the par value. Another was hope inspired by the defeat of the political element which sought to expropriate the Kaiser's property.

In banking circles both these suggestions were scotched as unlikely of fulfilment, since the revaluation of the old paper mark has been set at one trillion for one of the new Reichsbank marks, parity of 23.81 cents.

A prominent Wall Street house, which makes a specialty of German securities and exchange, said that the scheme was another attempt to fleece the American public on the part of those who still hold large blocks of the old mark and have stimulated the buying with the hope of clearing out with a profit.

ROYAL BANK

The Royal Bank announces the following staff changes:

G. A. Spink, manager of the Grand Forks, B.C., branch, was presented with a gold watch and an address by customers of the bank on the occasion of his retirement from the service on pension.

Upon his retirement from the service and his approaching marriage, J. A. Lefebvre, of the Quebec branch, was presented by the staff with a travelling bag and suitcase.

A. S. Wilkinson, manager of the Welland branch, was recently elected vice-president of the Welland Board of Trade.

NEW HIGH RECORD FOR ZINC

OTTAWA.—Production of zinc in Canada for the year 1925, as reported by the Bureau of Statistics, totalled 109,268,511 pounds, valued at $8,328,446, a new high record for the production of this metal. Compared with the 1924 output of 98,909,077 pounds, valued at $6,274,791, the increase amounted to 10.4 per cent. in quantity and 32.7 per cent. in value.

THE NATION'S BUSINESS

(Continued from page 1)

portunity for service to their country; for keeping the campaign clean; for emphasizing Canada's greatest problems—and they are not few—as the major issues; for urging votes on rational impulses.

Elections at best are emotional rather than common sense affairs; but they can be kept within reasonable bounds of intelligent restraint.

* * *

"ONE of the outstanding features of the session at Ottawa, despite all the turmoil and talk, was that Canada had discovered a really 'big man'," declared J. W. Jones, M.L.A., Kelowna, in Vancouver, after he had visited various eastern centres. "That man is Hon. H. H. Stevens," added the member for South Okanagan.

"Wherever I went, all were singing the praises of the member for Vancouver Centre. They look upon him as the outstanding figure in Canadian parliamentary life to-day."

Altogether apart from any partisan motive in Mr. Jones' remarks, there can be no doubt that he crystallized public feeling. Stevens looms up as an important political leader. After his courageous, tactful and successful handling of the trying customs investigation, that at times put his life in danger and that was a menace to his physical health, there are few—only the law-breakers—to criticize Stevens. His Toronto appearance was momentous; he was hailed there as an understanding friend of Canadian business.

* * *

APPARENTLY Arthur Meighen is able to command the confidence of his party to a greater extent now than two years ago or even one year ago. Meighen has always had the respect of the country as a whole, his sincerity and his idealism have never been seriously challenged. But he has never in the past been able to make a little blaze of warmth to glow in the hearts of his followers nor of the country generally. There seemed to be no room for geniality in his intercourse with fellow humans. There was a touch of the ascetic about him; a discipline of the body and mind to personal service that did not, however, always extend to a thorough discipline of his fellow workers.

Has Meighen changed? Those in close touch with him say that he has changed, not only in his inner make-up but in his outer make-up and that a less severe outlook upon life and a stronger sense of humor have shown themselves in his appearance as well as in his actions. His cheeks have filled out and are rosier; the tight lips suggest an occasional smile; there is something of a twinkle in the eyes. His hair is more white; it is softer and the light shines upon it with a suggestion almost of the Laurier plume.

Meighen has never been an orator, although he is a convincing debater. If he adds more subtle platform manners to his characteristics he will undoubtedly add to his power just as his assiduous pursuance of French has brought him many friends in Quebec.

The Conservative leader is showing his human side more than ever. One does not have to be more than a transient observer of politics to know that it will not hurt his career.

* * *

BUSINESS men will regret the absence of Senator Gideon Robertson from the Cabinet. As minister of labor on a former occasion he filled with success a difficult position at a very trying time. He would have been an able man on the job again. But Robertson had to be passed by because there is an aversion to senators in cabinet posts. With a hundred men seeking cabinet jobs and only about a dozen offices to fill, there is, among politicians, a feeling that the senators ought not to draw down cabinet minster's pay. Senators already have a job—a life job with a good income—and when a senator goes into the cabinet, political Ottawa feels he is hogging the berths. And because of this feeling, the interests of the country suffer.

* * *

RETIREMENT of Edmund Bristol, M.P. for Centre Toronto, from politics removes an unique figure from the house. Bristol was certain to have been re-elected. He is still a young man although he has been twenty-one years in the house and thirty years in politics. But it is doubtful if any member ever spoke fewer words in parliament, or attended fewer sessions. Bristol has been a valuable man to the Conservative party. He is a shrewd organizer. But he has never fully commanded the confidence of the man on the street and chiefly because of his exceedingly numerous legal retainers from large American and Canadian corporations. To combat him and to try to ride a Liberal into the house on the charge that Bristol was the tool of the "corporations," his opposition have put up a series of rousing platform orators. "Tom" Robinette, great criminal lawyer, tried to defeat him in 1908 but failed to swing the electorate as he swung juries; "Alf." Maguire, prince of the ringing word and the meaningless rhetoric, fell by the wayside in 1911. J. G. Ramsden, a popular civic politician with a son at the front, could not beat him in the war-time election of 1917. In the last election, the thunderous voiced, excitable Norman McEachren, a leading Liberal organizer, led three opponents but Bristol had a plurality over all.

If Bristol adheres to his decision to stay out, it will mean the end of an interesting era in Centre Toronto.

* * *

INSOFAR as the Winnipeg Free Press may be taken as speaking the voice of the West, its summary of the policy, by which the prairies stand, is an epitome of political viewpoint in that part of the Dominion. The fundamentals of western policy, according to the Free Press are:

"A gradual lowering of the tariff on the necessaries of life and on the implements of production. The West on many occasions has shown that it is vigorously opposed to a higher tariff.

"Retention to the West of its statutory freight rates on its chief articles of production. The West cannot afford to lose millions of dollars in increased transportation costs.

"Early completion of the Hudson Bay Railway. For this the West has been waiting forty years.

"Opposition to the centralization of the country's banking and financial powers into the hands of a small number of men in eastern Canada."

* * *

DOWN in the Maritimes there are some who see no good in either party's platform. "Nova Scotians," says the Kentville Advertiser, "have learned in a hard and bitter school that, come Grit or come Tory, the treatment received from Ottawa is about the same." Again, "the bald truth is that both political parties are dominated by Upper Canadian interests." It then suggests "a new contract with the Dominion of Canada is the only issue of any possible interest to Nova Scotia in respect to Federal politics."

* * *

PROHIBITION changed Canada's government, is the interesting view of the New Republic, New York, which traces the connection in this manner:

"The sudden, enforced resignation of the Liberal Mackenzie King government in Canada is another example of the widespread political consequences of prohibition. The government fell because of scandals in the customs service, and these were largely if not wholly the result of the vast business enterprise which has been built up about the smuggling of liquor into the United States. While the corruption in the Canadian customs was of the gravest character, there is no pretence that it involved more than a comparatively few men. The Mackenzie King government, however, commanding only a minority in parliament and existing by sufferance of the Progressives, was unable to withstand the blow to its prestige. Arthur Meighen has again been asked to take the reins. If he does so, and survives the nearly inevitable general election with sufficient strength to make his continuance in office feasible, Canada will move markedly toward the right."

Distillers Alarmed By Stevens' Policy

Special Correspondence.

OTTAWA.—The liquor interests have been stirred up by Hon. Harry Stevens' Toronto address, in which he took the stand that his department should fight liquor smuggling from Canada into the United States because it helped to foster smuggling of merchandise from the United States into Canada.

The day after Stevens spoke, Ottawa was invaded by the representatives of various distilleries seeking some recession from this stand. The political power of the distillers was revealed in the customs probe when it was shown that both parties received contributions from distillers for their election funds.

Evidence is that both Meighen and Stevens intend to work with United States enforcement officials to curb smuggling in both directions.

Big Business Methods In Operation of Buses

Evidently with the idea of introducing big business methods in the operation of motor buses, it is announced that the London Coach Lines, Ltd., of London, Ont., has been incorporated with an authorized capital of $200,000 for the purpose of operating bus service between Toronto and London.

Another announcement indicating that highways transportation is being organized in a big way is that seven of Vancouver's leading motor transportation concerns have been merged into one company with a capitalization of $1,000,000 to be known as the British Columbia Transportation Co., Ltd.

Strategy Failed to Make Robb Canada's Premier

Special Correspondence.

OTTAWA.—In current gossip, further details filter out of the motives that swayed political events in the closing days of the session.

It is now learned that a strong group of Liberals and Progressives worked to the end of facilitating King's defeat and then Meighen's defeat, hoping that the governor-general would be forced to call upon someone else to attempt the formation of a government. Their choice was Robb and it would then have been Robb and neither King nor Meighen who would have had to go to the country.

Robb might have been chosen Liberal leader last fall if King had been allowed to resign, as, indeed, he wanted to do, following the election. But swayed by promise of Progressive support, King carried on, although his party was not the strongest.

John M. Gunn New Head of the McClary Company

LONDON.—Succeeding to the general management of the largest concern of its kind in the British Empire, John McClary Gunn steps into the position of general manager of the McClary Manufacturing Company of London, after a training in every department from office boy to branch bookkeeper and manager and to head office bookkeeper, purchasing agent, foundry manager, up to his last position as assistant general manager, under Lieut.-Col. Gartshore.

During Col. Gartshore's recent illness and convalescence, the responsibility for the direction of the great manufacturing concern fell entirely on the stalwart young shoulders of John McClary Gunn—he is just past 41. It was a testing time when the results of the training of his grandfather, the late William Alexander Gunn, for many years secretary of the company, and his uncle, Lieut.-Col. Gartshore, general manager of the company for many years prior to the death of John McClary, and both president and general manager since.

But the test proved John McClary Gunn's mettle, and now Col. Gartshore, after 49 years' active and strenuous business life, is handing over the wheel of the McClary ship to his nephew, while he remains on the bridge as president of the company.

Mr. Gunn, born in London, like the business founded by his grandsire in 1847, is, therefore, indigenous to London. In London Mr. Gunn received his early education and business training.

How Growth in Population Increases Market for Goods

NEW YORK.—The United States, in mere population growth during the past five years has acquired more consumption power, or new potential markets, than if she had taken into her confines the entire population of Canada, or that of Australia and New Zealand combined. Canada in 1925 ranked second only to Great Britain as a customer for American exports. The recently estimated population increase of 10,229,000 during the five years of 1920-25, according to the National Industrial Conference Board, is 15 per cent. more than the population of Canada, and 40 per cent. more than that of Australia and New Zealand.

On the basis that the 10,229,000 additional inhabitants of the United States comprise proportionately as many gainfully employed persons as did the total population of the country when the 1920 census was taken, the increase in the gainfully employed would number approximately 3,965,000. At the latest accepted calculation of average annual earnings per gainfully occupied person, according to the board's study, the increase in population therefore would represent an approximate increase in national purchasing power of more than $5,500,000,000 per annum.

EXCELSIOR CLUB DINNER

The western convention of the Excel Club, which includes in its membership the outstanding producers of the Excelsior Life Insurance Co., is meeting at Vancouver on July 22 to 24. The head office at Toronto will be represented by: Alex. Fasken, K.C., first vice-president; George Warwick, director; T. A. Dark, general manager; W. F. Smith, superintendent of agencies; C. P. Muckle, secretary-treasurer.

This gathering of the outstanding producers of the company for conferences on field work and salesmanship, will be combined with a company dinner at the Vancouver Hotel and a sightseeing trip to Victoria.

HUEBNER IN WINNIPEG

Dr. Solomon S. Huebner, professor of insurance and head of the insurance department of Wharton School of Finance and Commerce, University of Pennsylvania, was scheduled to address the Life Underwriters' Association of Winnipeg, July 9. Dr. Huebner is an international-

The use of reclaimed rubber in the treads of pneumatic tires is being investigated by the United States Bureau of Standards, and the results so far obtained show that treads in which 25 per cent. of the normal rubber content has been replaced with reclaimed rubber give an average service of about 7,000 miles. Further experiments with different grades and compounds are expected to lead to still better results.

Coupons Given With Books in 1912 Are Deeds to Lots Now Valuable

REGINA.—How does it feel to come across a $1,000 bank-note in the top drawer that you did not know you owned.

The real sensation can be described by E. C. Rossie who discovers this week that coupons he put away in the bureau in 1912 and forgot about, considering them worthless, are now good for the neat sum of $1,000.

Back in the days before the slump, and before the war, a book-agent canvassed the all-alive city of Regina, selling $80 sets named "History of Famous Characters and Events."

"He cleaned up a lot of money," says Mr. Rossie, "because while the boom was on everybody was too busy making money to want to talk to book-sellers; so a good many paid him the $80 to get rid of him and not waste valuable time." Mr. Rossie bought two sets, one for himself and one for the sanatorium.

Forgotten in Drawer

With each set of books was given a pair of warranty deeds for lots down in New Jersey sub-divisions called Jamesburg Park and Helmetta Park, guaranteed high and dry. "The firm likely paid 50 cents an acre for this property," said Mr. Rossie to himself, and he promptly sold two of the coupons to another old-timer for $10. The other two he parked in the bureau to fall into oblivion.

Now, just the other day came the denouement. After 14 years of silence arrives a bill for $32.80, for improvements on the lots. Street-grading, water-mains, and electric light service cost money, and would he mind paying the sum specified?

The Regina man hadn't asked for water and light and roadway improvements for his New Jersey lots, however, he had no objections to finding himself inside city limits instead of being in the supposed wilderness.

To another old-time Regina person, on the other side of the Potomac from his lots, he sent a cheque to cover taxi-fare and asked him to go and give the once over to such and such lots in Jamesburg and Helmetta Park.

The friend wrote back that the lots are on the Lincoln Highway, and cement walks, electric lights, gas mains and all manner of improvements are going on. Building restrictions are placed at $6,000; and most of the lots are being settled on by New Yorkers who are putting up $10,000 houses or costlier ones. "It is a beautiful street, about 100 feet wide," the writer went on to say. "There has been a lot of work done there; it is one of the main streets, and is going to be a beautiful place."

Can You Write?

Correspondence is solicited from a young man able to write interestingly on business and investment subjects. He must have a well developed news instinct, an appreciation of the problems of business men, a liking for figures and ability to produce clear, readable copy at good speed.

A university background; a knowledge of the principles of economics, or experience in statistical work would help as would a record on a daily newspaper.

The opportunity offered is unique and broad. It may be the ideal opening for some able reporter on one of our smaller Canadian papers.

If you have these qualities, or the ability to acquire any of them, write to the address below. Tell your life story briefly in your first letter.

Box 244. The Financial Post,
143 University Avenue, Toronto.

MONTREAL LIGHT, HEAT & POWER CONSOLIDATED

Notice of Special General Meeting

NOTICE is hereby given that a Special General Meeting of Shareholders of MONTREAL LIGHT, HEAT & POWER CONSOLIDATED will be held at the Company's Offices, Room 319, Power Building, Montreal, Que., on MONDAY, the 26th day of July, 1926, at 12 o'clock noon, for the purpose of considering and, if deemed advisable, confirming, sanctioning and approving By-Laws Nos. 20 and 21 of the Company to be submitted to the Meeting and providing in effect for the subdivision and conversion of each outstanding or ISSUED share of Capital Stock of the Company into one 6 per cent. Cumulative Redeemable Preferred share of the par value of $50.00 and three Common shares without nominal or par value, and for the subdivision and conversion of each UNISSUED share of Capital Stock into six Common shares without nominal or par value.

BY ORDER OF THE BOARD,
C. S. BAGG,
Secretary-treasurer.

MONTREAL, July 14, 1926.

The Proprietors of Canadian Patent No. 237,564 for "Dyeing Machines" are desirous of entering into arrangements for the Working of this Patent by way of licence or outright sale of the Patent Rights. All replies should be addressed to the Premium Patent Dyeing Machine Co., Eccleshill, Bradford, England.

INTERNATIONAL PAPER COMPANY

New York, June 30th, 1926.

The Board of Directors have declared a quarterly dividend of Fifty Cents (50c.) a share on the Common Stock of this Company, payable August 16th, 1926, to Common stockholders of record at the close of business, August 4th, 1926.

Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD, Treasurer.

BELDING-CORTICELLI LIMITED

Dividend No. 6

The Directors of Belding-Corticelli, Limited, are making a distribution from the earnings of the half year ended May 31st, 1926, of three per cent. (3%) on the Common Stock of the Company, payable August 2nd, 1926, to Shareholders of record July 15th, 1926.

By order of the Board.
J. P. KENNEDY,
Treasurer.

BELDING-CORTICELLI LIMITED

Dividend No. 47

Notice is hereby given that on the Preference Stock of this Company, the Directors have declared a Dividend of 1¾%, payable on the 15th of September to shareholders of record at the close of business the 31st day of August, 1926.

BY ORDER OF THE BOARD
J. P. Kennedy, Treasurer.

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of Canada)

NOTICE IS HEREBY GIVEN that the Board of Directors of this Company has declared a quarterly dividend of 1¼ per cent. on the issued Ordinary Capital Stock of the Company, payable on 1st September, 1926, to all shareholders of record on the registers, at the close of business on the 31st July, 1926.

DATED at Toronto, Canada, 8th July, 1926
J. M. SMITH, Secretary.

Note: The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada.

The London Agents of the Company are the Canadian and General Finance Company, Limited, 3 London Wall Buildings, London, E.C.2.

Fire Insurance Inspector

wishes to form a connection with a Toronto Loan, Real Estate or Insurance organization. Has had an all round Insurance experience and is a producer. Available at short notice.

Apply Box 242, Financial Post, Toronto, Ont.

TENDERS WANTED FOR DEBENTURES

Tenders will be received up till 12 o'clock noon, on Saturday, July 24th, 1926, for the purchase of $67,500 debentures, divided into 20 annual payments, interest and principal. These debentures issued to pay for paved streets in Chippawa, Ontario. The lowest or any tender not necessarily accepted. Address tenders to J. G. H. Youngs, Clerk, or to Edward Weightman, Reeve, of Chippawa, Ontario.

Town of Kenora, Ont.

Tenders for Debentures

Sealed Tenders addressed to the undersigned and marked "Tenders for Debentures" will be received up to noon Saturday, July 24th, 1926, for the purchase of the following debenture issues of the Town of Kenora:

By-law No. 895—$12,687.61—5½%, Sinking Fund Consolidated Debt Debentures, dated July 1st, 1925; due Dec. 31st, 1953.

By-law No. 903—$16,636.81—5%, Sinking Fund Consolidated Debt Debentures, dated July 1st, 1926; due Dec. 31st, 1953.

The Municipality reserve the right to reject any or all tenders.

Full particulars will be supplied upon application.

F. J. HOOPER,
Treasurer.

Abitibi Power & Paper Company Limited

Dividend Notice

Notice is hereby given that a quarterly dividend of One Dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Company Limited, payable the 20th day of July, 1926, to shareholders of record at the close of business the 10th day of July, 1926.

By Order of the Board.
W. H. SMITH,
Secretary-Treasurer.

MANUFACTURERS FINANCE CORPORATION LIMITED

DIVIDEND No. 8

Notice is hereby given that a dividend of 4 per cent. (being at the rate of 8 per cent. per annum) upon paid up Preference shares of this Corporation has been declared for the half year ending June 30, 1926. Payable on the 15th day of August, 1926, to shareholders of record June 30, 1926.

By order of the Board.
W. M. McDONALD,
Secretary-Treasurer.

Toronto, July 6, 1926.

HIGH GRADE EXECUTIVE

Executive with wide and practical knowledge of Administration, Merchandising, General and Cost Accounting, available shortly.

Is especially qualified to fill position of Comptroller of large Merchandising concern. Successful record in reorganization work.

Primarily interested in finding a real job offering a future.

Credentials of a high order.

Box 220, FINANCIAL POST,
Toronto, Ont.

WANTED

A
Small City Daily
A
General Publication
A
Business Paper
or
A Group of Publications
By a Responsible Party.

Correspondence Will Be Treated as Strictly Confidential.

Box 216, FINANCIAL POST,
Toronto, Ont.

IF

YOU HAVE A PUBLISHING PROPERTY WHICH YOU WOULD SELL TO A RELIABLE PARTY AND WILL SEND FULL PARTICULARS IT WOULD BE TREATED AS STRICTLY CONFIDENTIAL.

Box 218
FINANCIAL POST
Toronto, Ont.

NATIONAL RAILS LOST ON WHEAT CARRIAGE IN '25

Interesting Analysis is Presented by Sir Henry Thornton

GOOD FOR BUSINESS

Benefit to West Reflected in Increased Traffic Because of Better Buying Power

OTTAWA.—Just before the select committee on National Railways and Shipping closed its sittings for the session, a very interesting return was put in by Sir Henry Thornton. This return was an analysis of the freight operating results of the western region of the National Railways, excluding the Duluth, Winnipeg and Pacific Railways. It covered operating results for three calendar years, 1923, 1924 and 1925. It contained detailed figures as to ton mileage, as to operating expensese, and as to operating net, the traffic being divided as between grain and other traffic.

The outstanding feature of the result was that there was a loss of a little over half a mill (0.59 mills) per ton mile on the carriage of grain in the western region of the Canadian National Railways for 1925; while the corresponding losses for the two previous years were considerably higher. In dollars, the net loss on grain for 1925 was $2,647,649. For 1924 the net loss was $6,114,280 or 1.52 mills per ton mile of the grain carried; while for 1923 the net loss was $6,218,726 or 1.38 mills per ton mile.

On other traffic the return placed the operating net profit for 1925 at $12,459,611 or 4.20 mills per ton mile. For 1924 the net profit on traffic other than grain was $10,735,095 or 4.06 mills per ton mile; while for 1923 the operating net profit was $8,406,422 or 2.83 mills per ton mile. None of these figures contain any provision for capital charges.

The return presented to the committee was prepared by the bureau of economics and the accounting staff of the Canadian National Railways. It shows, in the first place, the revenue ton mileage of grain and other traffic. It shows next the gross ton mileage, which is the measure of the actual work done by the railway in carrying traffic. This is also divided as between grain and other traffic. Similarly the operating revenues from the system are shown as they are derived from grain or from other traffic. These are all actual figures taken from the operating records of the railway. The operating expenses in total are also actual figures and on the basis of the gross ton mileage, checked by other considerations, these have been segregated by the National Railway officials as between grain and other traffic. The net operating results are then secured by the natural process of deducting the operating expenses, as allocated, from the operating revenues for grain and for other traffic.

The return just quoted was a subject of considerable discussion in the committee. Hon. C. A. Dunning, who was then Minister of Railways, took strong exception to the results secured by the analysis, especially in terms of the ton mile figures. He objected particularly to the statement that "the railway lost a little over one-half mill per ton mile for hauling grain" in 1925. W. D. Euler, who was chairman of the committee and who is a stout advocate of government ownership, suggested on the other hand that the statement spoke for itself, and that it was taken from the figures of the company.

Mr. Dunning went on to argue that the figures were not a true picture of the case because they did not include the railway journey east of Fort William. "It is the same grain which is being moved," he said, "and if we are considering the relationship of the total earnings of the system, we ought at least to take the whole system."

Sir Henry Drayton, formerly chairman of the Board of Railway Commissioners, took a hand in the discussion and suggested an explanation as to why, in spite of the low rates on grain and in spite of the loss shown in the return prepared by the National Railway officials, the total railway operating net was higher during years when there was a good crop and consequently more grain was moved. He remarked that where the railway was probably losing money on grain "is where you pro-rate down in connection with the long hauls, continuing your pro-rating to the line where your expenses meet."

"I have always taken the position," said Sir Henry in dealing further with this question, "that although on paper these grain rates are low, the grain rates, or rather the grain traffic with the resultant business that it procures, with the tremendous increase that it gives to the purchasing power of the West, works to the benefit of the system. I know I am right because whenever you see a really good grain crop you see prosperity, or rather, added prosperity for the railway. On the other hand, it is perfectly true that as a matter, not only of accountancy, but in some instances of fact, which can easily be demonstrated to any one who knows anything about the business, there is an actual loss in carrying some of these grain hauls. Nevertheless, there is a large resultant profit in it arising out of the traffic which that grain movement in turn makes, and you will always find it the same."

RAILWAY EARNINGS

Canadian Pacific Railway

Week end.	1926	1925	Change
July 7	$3,642,000	$3,267,000	+$375,000

Canadian National Railways

Week end.	1926	1925	Change
July 7	$5,032,982	$4,289,874	+$743,108

Operating Results on C.N.R. in West

CANADIAN NATIONAL RAILWAYS

Analysis of Western Region Freight Operating Results (Excluding Duluth, Winnipeg and Pacific Railway)

	1925	1924	1923
Revenue Ton Mileage—			
Grain	4,460,775,350	4,023,295,742	4,350,643,572
Other	2,968,180,849	2,645,533,907	2,972,124,292
Total	7,428,956,199	6,668,829,649	7,322,767,864
Percentage of Total—			
Grain	60.05	60.33	59.41
Other	39.95	39.67	40.59
Gross Ton Mileage—			
Revenue Freight Traffic	15,230,786,818	13,568,203,673	14,987,258,108
Apportionment of—			
Gross Ton Mileage			
Grain	8,806,312,805	7,959,869,522	8,591,855,946
Other	6,424,474,013	5,608,334,151	6,395,402,162
Percentage of Total—			
Grain	57.82	58.67	57.33
Other	42.18	41.33	42.67

Operating Revenues—	Amount	Per ton mile Mills	Amount	Per ton mile Mills	Amount	Per ton mile Mills
Grain from Rates	23,787,921	5.33	21,180,082	5.26	22,817,922	5.24
Grain Other Sources	415,328	.10	379,078	.10	475,086	.11
Total Grain	24,203,249	5.43	21,559,160	5.36	23,293,008	5.35
Other Traf. from Rates	31,513,767	10.62	29,698,100	11.23	29,752,053	10.01
Other Traf. from Ot'r S'urces	533,718	.18	531,511	.20	619,583	.21
Total Other Traffic	32,047,485	10.80	30,229,611	11.43	30,371,636	10.22
Total Traf. from Rates	55,301,688	7.44	50,878,182	7.63	52,569,975	7.18
Total Traffic from Other Sources	949,046	.13	910,589	.13	1,094,669	.15
Total Traf. fr'm all S'r'c's	56,250,734	7.57	51,788,771	7.76	53,664,644	7.33
Operating Expenses—						
Grain	26,850,898	6.02	27,673,440	6.88	29,511,734	6.78
Other Traffic	19,587,874	6.60	19,494,516	7.37	21,965,214	7.39
Total	46,438,772	6.25	47,167,956	7.07	51,476,948	7.03
Operating Net—						
Grain	x2,647,649	x0.59	x6,114,280	x1.52	x6,218,726	x1.38
Other Traffic	12,459,611	4.20	10,735,095	4.06	8,406,422	2.83
Total	9,811,962	1.32	4,620,815	0.69	2,187,696	0.30

Bureau of Statistics, Montreal, April 5, 1926.

xIndicated deficit.

STRIKES HURT BRITISH TRADE

$500,000,000 Decline in First Four Months — Shipping and Industry Crippled

The damaging effects of strikes on trade and production are being shown by British statistics now available. Great Britain's foreign trade for the first five months of this year show a decline of £118,100,000, compared with the corresponding period in 1925. Exports at £288,107,206 declined by £45,658,p74; imports at £505,036,262 by £61,528,811 and re-exports at £55,845,648 by £11,003,238. The biggest drop is in the May figures which show the direct effect of the strike, in a decline of £48,000,000 compared to May last year. The May figures include the period of the general strike in the first fortnight and the coal stoppage throughout the month. The full effect of these causes is not yet shown as importers are allowed a fortnight and exporters six days in which to prepare their statistics. April trade, therefore falls into the May returns to a considerable extent, and the full story of Britain's losses in trade due to the strike will not be visible until the publication of the June returns.

Threat of the coal stoppage had, however, already made itself felt in April, when foreign trade returns declined by £17,130,000, compared to April, 1925.

The most obvious effect of the strike on industry is shown by a decline of £6,72[illegible],000 in imports of raw materials in May, compared to May, 1925. This decrease would have reached nearly £8,000,000 but for an increase of £1,150,000 in rubber imports. Wool and woolen rags were down, £3,051,000 cotton and waste £1,109,960—partly owing to lower prices—and wood and timber, £1,094,000. Imports of manufactured articles were down £9,901,000.

Much of Damage Hidden

These figures show the obvious and immediate effects of the strike, but, as Mr. Baldwin said recently, much of the damage is hidden and will be felt only later. Contracts have been cancelled and markets lost which in some cases will never be regained. The Germans are making every effort to adapt their coal to the requirements of former British customers, while in the week ended June 14, contracts for more than 275,000 tons of coal were made with the United States by British shippers.

The British nation is paying a heavy price for the failure of the coal mining industry to manage its own affairs.

B.C. THINKS CANADA BUNGLED TRADE PACT

Imposition of Dumping Duty on Butter Unfair to Sister Nation Under Southern Cross

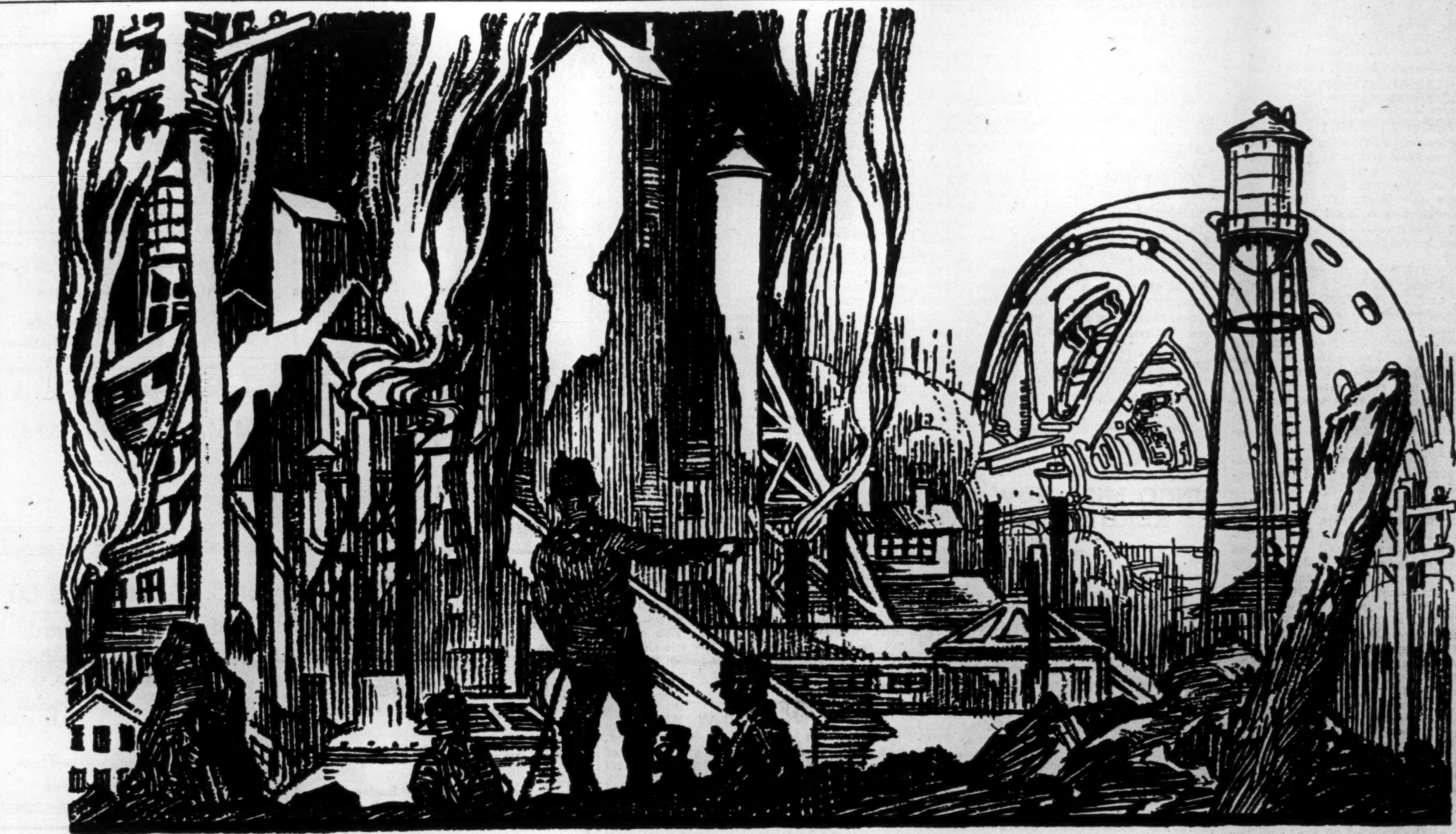
From Our Own Correspondent.

VANCOUVER. — Imposition of the dumping duty on Australian butter was "a tactless piece of bungling," in the opinion of critics of the late government's handling of trade relations between Canada and the Commonwealth.

Those who find fault with the dumping duty contend that it seems inevitable, whenever the development of trade between the two dominions is sought, that politics should enter the situation and seriously handicap the attainment of satisfactory results.

The agreement reached last year between Canada and Australia was regarded as the first of a series which might finally result in an enormous increase in trade between the two countries. The agreement did not work out as well as contemplated, and Australia has sent a commissioner here to investigate and, if possible, find out the reason for the apparent failure. It is unfortunate that he should arrive at a time when Canada is beset with political uncertainty.

"There is no doubt that Canada has handled the Australian question badly," says the Vancouver Province, which has shown special interest in the trade treaty negotiations throughout their progress.



The Key to Canada's Mineral Wealth

EXTENSIVE though Canadian mining operations have been, this country is only upon the threshold of its mineral development.

In addition to its acknowledged leadership in the production of cobalt, asbestos and nickel, Canada has assumed international importance in the fields of gold, silver and coal.

Blessed by nature with a land rich in mineral resources, and with abundant water-power for their development, Canada possesses the opportunity of becoming one of the wealthiest nations in the world.

Much of the success of Canada's mining activity has been due to electric power — and, by manufacturing in Canada, the machinery for generating as well as utilizing this current, Canadian General Electric Company has played a part in opening up the almost limitless treasures of the Canadian mines.

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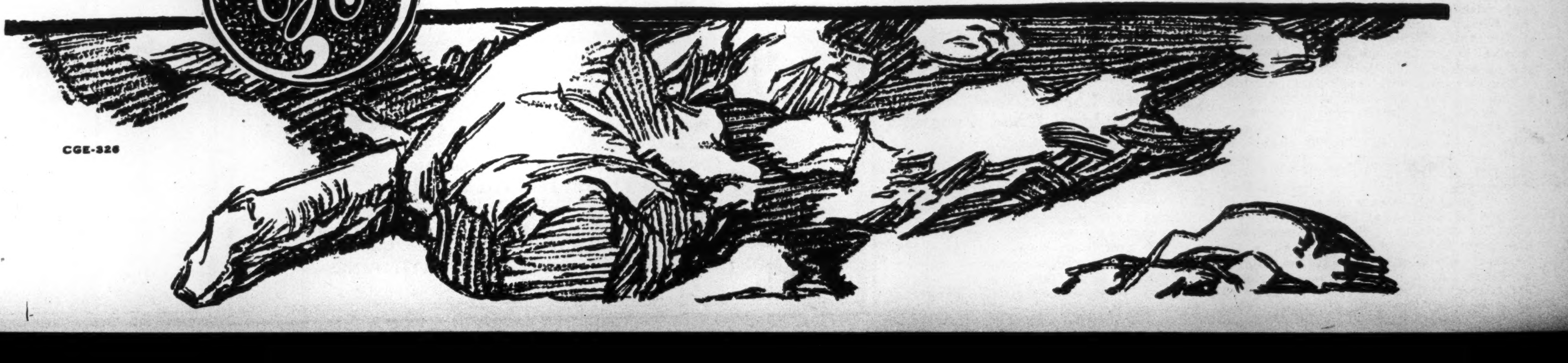

News of the Mines: A Department for Executives and Investors

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

QUEBEC COPPER PROPERTIES ARE IN ONE COMPANY

Alderson and MacKay Interests Allot Shares—Market Moves Sharply

Towagmac Exploration Co. shares are just being allotted, 150,000 shares at $1.50. It is understood that the shares were offered to friends of the members of Pioneer Exploration Co. and were many times over subscribed. The certificates are not all delivered as yet, but the shares are meeting a keen demand and are selling around $3 now. Towagmac will hold the interests of Messrs. Alderson and MacKay in Boichatel, part of which are under option to Timmins interests.

The facts of the new organization follow:

The company has acquired from the Pioneer Exploration Syndicate the following properties and assets, and, in return, pay to the Pioneer Exploration Syndicate 700,000 shares fully paid stock.

Following is a list of holdings that have been taken over by the Towagmac Exploration Company, Limited:

1. The treasury of the Pioneer Exploration Company. There will be a small cash balance in this treasury after the organization expenses, etc., of the new company have been paid.

2. The Pioneer Syndicate Organization. This consists of the highly-trained field organization under the direct supervision of Alderson & MacKay, consulting engineers, Montreal. An agreement with Alderson & MacKay whereby they are to assume management of the company and be responsible to the directors.

3. A thirty-five per cent. equity in the following mining claims: M. L. 1951, 1952, 1953, and T 2986, 2987, 2988, 2989, and 2990, containing eight hundred acres, or more or less, in Boischatel Township, Quebec. Surface diamond drill exploration has indicated large bodies of valuable copper-gold ore.

A sixty-five per cent. interest in the claims mentioned in this section have been optioned to N. A. Timmins, Incorporated. Following we give a brief summary of the contents of this option: $10,000 was paid on signing the agreement, and $90,000 is to be paid on January 1, 1927.

It is agreed that a company will be formed with a capitalization of at least seventy-five per cent. of the ore reserves. The property shall be turned over to this company for at least fifty per cent. of the capital stock. The Towagmac Company, Ltd., will receive thirty-five per cent. of the stock that N. A. Timmins, Incorporated, receives for the property. N. A. Timmins, Incorporated, through N. A. Timmins, bind themselves to spend a minimum of $50,000 on exploration and development work before January 1, 1927. If at that time N. A. Timmins deems it advisable to continue exploration work for another year before the formation of a company, they would have the privilege of doing so provided they make the payment of $90,000 and continue to spend at the minimum rate of $5,000 per month. N. A. Timmins, Incorporated, is to receive from the treasury of the said company stock at the rate of 25 cents on the dollar for the money spent on development, it being understood and agreed, however, that the sum to be expended by N. A. Timmins, Incorporated, shall be limited to $100,000, and that if further sums are to be expended before the formation of the company, the Towagmac Exploration Company, Limited, have the right to participate equally with N. A. Timmins, Incorporated, and shall receive stock in payment at 25 cents on the dollar.

It is further agreed that if, upon the incorporation of a company to take over the claims, it be necessary to issue treasury shares for further developments and benefit of the company, the Towagmac Exploration Company, Limited, shall have the privilege to underwrite all such treasury shares.

4. Seventy per cent. equity in 1,400 acres more or less in Boischatel Township known as the Francoeur-Bell-Thompson group, and described in the Department of Mines at Quebec as Blocks 27, 28, 29, and Mining License 2055 b, c, d, e, and f, in Boischatel Township, and Mining License 2055a in Dasserat Township. License 2055 a-f is held under option, and blocks 27, 28, 29, are held under Mining License.

5. One hundred and twenty acres in Dasserat Township described as T 2315, T 3079, and T 3080.

6. Thirty-five per cent. of the issued capital stock of the Fortune Lake Mining Company.

Liability.—An outstanding 4 per cent. interest in the net profits received by the Towagmac Exploration Company, Limited, from the group described under heading No. 3, as per an agreement made between the Algoma Exploration Company and the Pioneer Syndicate at the time the property was taken over from the Algoma Exploration Company.

Future Plans

The directors and managers intend to do the assessment work and pay all taxes for the current year on all their holdings.

To do a limited amount of drilling on the gold ore deposits of the Francoeur-Bell-Thompson group.

To enter into an agreement with the Fortune Lake Mining Company whereby they will continue exploration work on the Fortune Lake property in the form of diamond drilling. In return they will receive stock for the money expended and an option of further treasury shares.

The company will continue to explore prospects, buy and sell mining claims and carry on mining operations when necessary.

From the sale of 150,000 shares at $1.50 per share the company will receive $225,000. If the payment on the option between N. A. Timmins, Incorporated, and Pioneer Syndicate is made, it will receive an additional $90,000, making a total of $315,000. The company will also have 150,000 shares of stock in the treasury which can probably be sold, if necessary, at a much advanced price.

Officers and directors.—President, J. J. McFadden, Spragge, Ontario; vice-presidents, W. P. Alderson and A. A. MacKay, Montreal; secretary-treasurer, A. H. Chitty, Sault Ste. Marie; N. A. Timmins, Montreal; A. A. MacMartin, Montreal; W. B. George, Eganville, Ontario; E. L. Myers, Johnsonburg.

Dome and Noranda Are Market Features

There has been a broadening of interest in the mining market recently and prices for stocks have developed strength in many sections of the list. For this season this is taken as a good indication of the success attending the summer's operations in the various camps. Interest has largely centred in Dome and Noranda, the former because of a rather sensational slump and the latter on strong buying and higher prices.

Dome dropped as low as $10.25 in New York. As frequently in the past, the sharp movements of this stock are evidently due to speculative influences which are not entirely free of suspicion of manipulation. Those who are bearish on the stock point to the warnings about the property petering out—which the public has not been inclined to accept seriously in the past—while those who believe that there will be a recovery take the stand that even if the dividend were cut in two the stock would be worth more than it is now selling at. There are those who favor the stock who believe that not only will Red Lake make good but that the present property is not done by any means and that when it is there are plenty of other good properties now available close at hand.

As for Noranda, the advance in price is regarded as indicating a wider realization of the possibilities of this property and its chances of becoming one of the big mines of the world. A further important discovery of ore is reported which increases the potential assets to a considerable degree. Another Quebec stock in demand is Towagmack, which owns a 35 per cent. interest in the Alderson-Mackay property. Buyers are seeking this stock and offerings are small. Hollinger has been in demand at rising prices. Keeley has advanced on new public interest. Mining corporation has moved up close to $3.50. Nipissing has shared in the generally better market.

BINGO MILL NOW READY TO OPERATE

Jos. Myers Put in Ten-Ton Plant for Testing Property

Jos. Myers, managing director of Bingo mines, announces that the mill he ordered for the Bingo property at Herb Lake has been installed. In a recent statement at The Pas, he said that just as doctors disagree in a diagnosis so did mining engineers and geologists conflict in their opinions. Being tired of the vagaries of assay returns, without casting any reflection upon the honesty of those making them, he had decided that the only practical and sane way to prove the intrinsic value of the Bingo property was by mill run, and therefore, at his own expense, he had purchased and had installed the most up-to-date Ball Mill known with a capacity for treating ten tons of ore a day. If the results obtained by this mill proved that there was gold of commercial value at the Bingo—and two geologists known to fame had stated that there was no ore of commercial value—then the "come-back" would be the greatest in the history of mining, and would give a fillip to mining in The Pas mineral belt such as no subsidized newspaper publicity could ever accomplish. Mr. Myers explained that the mill test would occupy from three to four months, and the whole future of the Bingo would depend upon the result of that test. However, whatever the outcome, the mill now installed would be of no further use to the Bingo, for reasons which were obvious.

Increased Production of Nickel and Copper Reported

OTTAWA.—Finally revised statistics on nickel production in Canada during 1925 as reported by the mining, metallurgical and chemical branch of the Dominion Bureau of Statistics, show an output of 73,857,114 pounds of nickel, valued at $15,946,672, as compared with 61,356,451 pounds, worth $12,126,739, in 1924. These figures for 1925 include nickel in matte exported by the Mond Nickel Company and the International Nickel Company of Canada at 18 cents a pound; refined and electrolytic nickel produced at Port Colborne, at the value obtained for such products sold during the year; nickel in nickel oxide sold from the south Ontario smelters and from Port Colborne, at its total selling value as oxide; nickel metal sold from south Ontario smelters, and nickel contained in speiss residues exported, valued at 18 cents a pound.

Finally revised statistics on the production of arsenic from Canadian ores show an output of 3,434,137 pounds in 1925, as compared with 4,621,567 in 1924.

Finally revised statistics on the output of copper in Canada show a production in 1925 of 111,450,518 pounds, which, at the average New York price for the year (14.042 cents per pound), amounted to $15,649,882, as compared with 104,457,447 pounds valued at $13,604,538 in 1924, when the average New York price per pound was 13.024 cents. This was an increase of 6.7 per cent. in quantity and 15 per cent. in value.

Canadian Lorrain is Making Good Progress

Shoot "C" on No. 5 vein on Canadian Lorrain Silver Mines, which has been cut at the 150 ft. level vertically 100 ft. about the 250-ft. level, has reached on the east end with an average value of 165 oz. over 48 inches. This same shoot on the west end has now been developed for a distance of 66 ft. and averages 86 oz. over a width of 36 inches.

Construction of the mill is progressing steadily.

OLD SMELTER WILL RESUME ON COAST

Big Production of Precious and Base Metals Makes Outlook Good

From Our Own Correspondent

VANCOUVER.—Resumption of operation of the Ladysmith smelter on Vancouver Island after several years of inactivity marks an important step in the development of lead, zinc and copper properties of the coast section of British Columbia.

H. B. Thomson, former Canadian food controller, and Herbert Carmichael, of Victoria, are the principals behind the Ladysmith smelter and they announce that a new process now used extensively in Utah will be installed, its function being to separate zinc and lead from the ore as well as copper exclusively.

Establishment of such a smelter meets a demand that has been voiced by mining men for some years, but whether it will be able to take care of a sufficiently large proportion of the enormous ore output available in the southern coast section of the province remains to be seen.

Treat All Metals

Shrewd mining men here contend that there is no use in advocating a smelter to treat copper alone. What is required is a smelter that will treat gold, silver, copper, lead and zinc. The Ladysmith plant meets that requirement, at least in part. When the market is down on one metal, others can be profitably treated, but if a single metal is depended upon, then the industry must fluctuate with the rise and fall of that particular metal.

There have been several copper smelters on the lower coast, but declining markets have closed them. Vancouver had a smelter forty years ago and it was in operation for only a single day because it concentrated on one metal. Another smelter was opened at Van Anda, but it was closed down more than a score of years ago. The Ladysmith smelter, first established in 1903, was closed down in 1912.

The phenomenal success last year of the Consolidated Mining & Smelting Co. at Trail is evidence of the possibilities for an up-to-date smelter, and probably its performance was largely responsible for the reopening of the Ladysmith plant.

Keeley Exploration Made Good Progress in June

During June, 125,029 oz. of silver and 14,806 lbs. of cobalt were produced by Keeley Silver Mines.

No. 28 vein on the ninth level had reached towards the end of June a total length of 73 ft. and averaged 115 oz. over 42 inches—21 ft. in this shoot averaged 1,800 oz. over seven inches.

The upward extension of this shoot was located during the month on the eighth level, an assay of 1,600 oz. over four inches being obtained. The crosscut on the eleventh level toward the end of the month was approaching the objective of intersecting the downward extension of No. 28 vein.

START ON MARCLAY MINES

Tommy Powell, well-known prospector, has gone into the Quebec properties of Marclay Mines, located in Boischatel township. Mr. Powell will take in with him a foreman and men who will commence surface work on the Marclay claims. Full camp equipment is now being secured and it is expected work will be under way shortly.

REAL FUTURE FOR MANITOBA CAMP

Area Was First Discovered Before Yukon Rush, But Was Neglected

Hunter Young, Winnipeg, who has just completed a visit to the mines in the Bull Dog Lake area, Central Manitoba says that if the merits of this district were properly realized, we would have many more prospectors in it, men who would be glad to leave less likely fields for one of such promise. And the district needs prospecting, for while the first gold was discovered in this district as far back as 1896, before the Yukon, Cobalt, Porcupine and other fields, it has never yet been thoroughly prospected by mining men of experience. On the other hand, ill-advised and mismanaged attempts at mining on some of the properties have resulted in slowing up the work of development. With the prominent engineers and geologists who in recent months have made trips into this district, he believes that it is now on the eve of substantial and sane development, and that it will prove a great source of wealth to Winnipeg and Manitoba.

Speaking of the two main properties in the camp, he says Central Manitoba Mines, has a crew of about 50 men at work and have expended approximately three quarters of a million dollars in developing their property. This property, he says, is rapidly approaching the production stage and gives every indication of becoming a successful and profitable gold producer. Camps and buildings for the men were very comfortable, Mr. Young said, and vegetables are being grown successfully for their consumption, very close to the mine, while cattle and hogs are also being fed on an embryo farm for the same purpose.

The Cryderman claim, owned by the Mining Corporation of Canada, and from which very spectacular samples of ore have been taken, was also visited by Mr. Young and party. The 250-foot level has been reached in the shaft, and lateral work is now being undertaken.

Friday Mines Enter New Area in South Lorrain

Friday Silver Mines has been incorporated with a capitalization of $2,000,000 for the operation of a group of 10 claims in South Lorrain Township about four miles south of the Keeley Mines at the head of Black Bear Lake. The property is most easily reached by way of the lakes east of Temagami, and one small portage being necessary.

Three of the claims comprising the holdings of the company were purchased from C. J. Price and H. B. Armstrong for a cash consideration and a portion of the stock of the new company. The other seven were staked by the purchasers, who are Detroit people.

Three veins have been partially prospected on the claims. The main vein shows a width of two and a half feet of cobalt bloom, calcite and nicolite. It has been stripped for a length of 300 feet and four test pits have been put down on it to a depth of six feet, showing the outcroppings to have a uniform width and heavier mineralization in the bottom of the test pits than at the surface. The other two veins also show bloom and calcite, and it is expected they will interest the vein further east. The main fracture has northeast-southwest strike and has been traced for some distance.

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News of the Mines

A 300-TON MILL IS NOW WARRANTED, SAYS WENTWORTH

Central Manitoba and 'Wad' Synydicate Are Consolidating

Winnipeg.—Henry A. Wentworth, president of the old Central Manitoba Mines, and one of the new consolidation, has just returned from London, where in company with two of the other directors, Howard Clark Davis, of Boston, and A. D. Miles, of Toronto, arranged with John Taylor & Sons for the consolidation of the holdings of the Central Manitoba Mines with those of the "Wad" syndicate along the same belt, and those of the Anglo-Canadian Explorers Limited, situated on Bull Dog Lake. The enlarged Central Manitoba Mines Limited, now operating under a Manitoba charter, embraces in its holdings nearly three square miles of mining claims, including nearly three miles along the so-called "Wad" zone, which is the pioneer find of importance in the central Manitoba-Red Lake belt, as well as a large group of claims near Bull Dog Lake, some three miles distant from the main area. At about the centre of the main holding is "Wadhope," the principal camp of the district, where there are excellent quarters for more than 100 men.

The Eclipse shaft of the central Manitoba is 390 feet deep, and from the lower level a winze has been recently sunk on the vein, giving a total depth from the surface on the dip of the vein to date, of over 500 feet. No change in geological conditions has been found, the bottom of the winze is in ore 5½ feet wide and over $10 in value, all of which coupled with the long length of the vein on the surface promises the making of a mine of large size by the consolidated company.

Shows Up Well

Two thousand feet west of the Eclipse shaft, the Growler shaft is now nearly 100 feet deep in excellent ore. At the east end of the area, only surface work has been done to date, with the exception of a diamond drill hole to determine the dip of the vein, which is practically vertical in this section, whereas there is a distinct dip to the south in the neighborhood of the main shaft and at the west end. In this east end, however, are several excellent surface showings, one of them showing an average of 17 feet of $20 ore for a considerable distance.

The officers and directors of the consolidation remain the same as heretofore, with John Taylor & Sons, one of the most successful firms of gold mine operators of the world, to act as consulting engineers and managers.

While the ore developments, already warrant construction of a mill from 250 to 300 tons daily capacity, and it is expected that developments will soon warrant a larger scale of operations than this, the best location on the holdings for a mill is yet to be determined, so development work on a wider scale than heretofore will be pushed vigorously.

Vipond's Enlarged Mill Reflected in June Figures

During June, 5,649 tons of ore were milled from which $52,400,000 were recovered, at Vipond Consolidated Mine, Porcupine. The addition to the mill was practically completed towards the end of the month and is already reflected in the slight increase in tonnage milled and bullion produced.

Underground work is progressing steadily and generally favorably.

MINING STOCK QUOTATIONS
Week Ending July 13

	High for wk.	Low for wk.	Close July 13	Close July 6	Sales for wk.
Amulet	1.35	1.25	1.32	1.26	35130
Apex 3	3	3	3	3	2000
Algonquin	7¼	6¼	7	6¾	189800
Argo. Cons.	21	18½	19	20¼	59100
Area	25	24	24	28	5600
Atlas	2¾	2¾	2¾	2½	3500
Baldwin	4	2½	2½	2½	228500
Barry Hol.	47¾	47	47	48	30450
Beaver	82¾	80	82	80	35450
Bidgood	5	4⅞	4⅞	5	6500
Bourlamaque	10.10	9.95	10.10	9.95	2150
Chaput-H.	7½	6	6½	6¼	7500
Can. Lor.	92	90	92	92	53050
Capitol	38	35½	37	36	32600
Castle Tre.	1.61	1.43	1.53	1.45	87450
Clifton	2	1¾	1⅞	1¾	11300
Coniagas	3.60	3.50	3.60	3.60	520
Coniarum	3.40	3.40	3.40	3.30	200
Col. Kirkland	3	2½	3	3¼	28000
Con. Smelters	214½	210	211	215	4960
C. W. Dome	15½	15	15¼	15¼	88700
Crown Res.	14	11	13	10	61400
Don Rouyn	31	30¾	31	32	5300
Dome Mines	12.75	10.60	10.90	12.50	19030
Everett	7¾	6½	7½	6¾	33300
Gold Hill	64	58	59	61	99736
Goldale	27½	26½	26½	27¾	6200
Dupuy	42	29	40	30	26300
Hollinger	19.75	19.10	19.70	19.40	2811
Kirk. Hunton	9¾	8½	9½	9	48600
Int. Nick. com.	38	36½	36¾	37½	2470
Keeley	1.65	1.42	1.60	1.42	61550
Keora	10	6¼	8	6½	8400
Kirk. Lake	1.05	1.00	1.03	1.01	49900
Lakeside	4	3¼	4	4¼	3000
Lake Shore	11.38	11.30	11.35	11.40	3575
La Rose	11⅝	10	10	12	14000
Lorrain	3¾	3	3¾	3¼	7800
Laval	25	24	25	24¾	22700
McKinley	15	14	14½	15	8800
McIntyre	25.00	24.80	24.85	25.00	4010
Millcrest	10	10	10	10	4500
Mining Corp.	3.50	3.40	3.47	3.40	8995
Newray	32	32	32	33	2500
Nipissing	5.75	5.20	5.45	5.15	10310
Night Hawk	6½	6	6	6½	1800
Noranda	16.50	15.05	16.40	15.20	35411
Pet. Lake	4¼	3½	4¼	3½	33500
Pioneer	69	68	69	67	13100
Premier Gold	2.12	2.08	2.10	2.05	3225
Preston	7	6½	6½	6⅞	2500
Teck Hughes	3.89	3.70	3.87	3.70	104600
Thomp. Krist	1¾	1¾	1¾	1	2000
Tough Oakes	40	38	40	38	26640
Silver Leaf	¾	¾	¾	1	6000
Vic. Silver	6	5	5	5¼	3000
Vipond Cons.	1.75	1.70	1.74	1.72	25335
Stadacona	42½	41	41¾	41	40425
Wasapika	2	2	2	1½	1500
West Tree	2½	2½	2½	2½	1500
Wettlaufer	6	6	6	6½	5500
Wright Har.	8.45	8.40	8.40	8.40	800
South Keora	5	5	5	5	1500
Rouyn	2⅞	2⅝	2⅝	2¾	3500
Rouyn, Que.	1⅞	1½	1⅞	1½	2000

Important Discovery on Beardmore Claims

FORT WILLIAM.—One of the most important discoveries made in the Beardmore district was unearthed at Jackpine, when one of the claims owned by T. Delbridge, of Port Arthur, and Gordon McLaren, of west Fort William, a vein of gold running 3,000 feet, with an average width of 4½ feet, was found. Surface gold was panned along its entire length.

The two prospectors have 800 acres, in 20 claims, and are very pleased with their claims thus far.

"We staked our claims on the snow in March," said Mr. Delbridge, "and have been working ever since the snow disappeared. We expect great things from this last find, and those who have seen it consider it extremely valuable."

Active Operations to Start In the Beardmore Area

Active operations in the Beardmore gold area are expected to commence immediately. This area is located on the Canadian National Railway within one hundred and fifty miles east of Port Arthur. The name of the area came about through the original discovery of free gold having been made near Beardmore station, but later finds has extended this known field so far that the name now applies to the area between Nipigon Lake and Long Lake, principally along the water courses of the Blackwater and Sturgeon Rivers, a distance of over fifty miles. The principal stakings made to date, comprising nearly a thousand claims, parallel the right-of-way of the railway from Warneford station to the divisional point of Jellicoe, mostly on the South side of the railway, and this same geological formation continues easterly to Long Lake, with occasional staking along the whole strike of formation. Very promising finds have been made close to the stations of Warneford, Beardmore, Jackpine, Nezah, Jellicoe, Kinghorn, and Langmuir within a year's prospecting time after the original discovery was made, through the work of a handful of active prospectors.

CONIAGAS MAKES NEW FIND

COBALT.—Coniagas has a very important discovery in Mountbray township, Quebec. Details of it are not known on the street, but it receives confirmation in quarters close to the fountain head, and that is all that can usually be said about anything Coniagas does.

REORGANIZATION OF BALDWIN

F. S. Short, president of Baldwin Gold Mining Company, Limited, has sent out a circular calling a special general meeting of shareholders on July 23 to ratify a by-law for the reorganization of the company by a transfer of the assets to the Baldwin-Kirkland Gold Mines, Limited, to be incorporated with an authorized capital of 5,000,000 shares of $1 par, of which Baldwin Gold Mining Company are to receive 2,499,990 shares.

GRANBY TO INCREASE OUTPUT

VANCOUVER.—Prospective improvement in the market for copper, as well as current stability, is a big factor in the present situation surrounding the Granby Consolidated Mining, Smelting and Power Company. The company is making considerable progress in the matter of expanding its production at Anyox and Allenby. Work of increasing capacity at the former mill from the present level of 3,000,000 lbs. of copper per month is progressing satisfactorily, and part of the higher capacity will be in operation this summer.

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Good Production for Mining Corporation

Total silver production from the Cobalt and South Lorrain properties of the Mining Corporation of Canada for the quarterly period ending June 30 amounted to 563,780 ounces. At Cobalt Lake, development work, says President J. P. Watson, has been very satisfactory, drifting having put in sight additional new ore at last equal to that extracted.

At Townside City, on C vein, drifting extended the ore shoot a further 36 feet, and on a branch of C a drift 65 feet long has been so far all in ore. Further exploration work is planned in the southern part of the Townside property. The mill of the Cobalt Reduction Company was operated at capacity during the period on Cobalt and South Lorrain ore.

In South Lorrain

On the Frontier, Crompton and Little Keeley properties in South Lorrain, a total footage of 1,254 feet of drifting, crosscutting and raising was completed during the period. In addition, considerable work was done preparatory to sinking by winze to the lower diabase keewatin contact. There were no outstanding developments during the period. A considerable addition was made to a high-grade shoot previously exposed on the Watson vein, on a sub-level above the 150-foot level. Also on the same vein a shoot of mill-grade ore was developed.

Cryderman Down 275 Feet

At the Cryderman property in Manitoba during the period a shaft was sunk 275 feet and levels are now being established at depths of 150 and 250 feet. The shaft which is located on the hanging wall side of the main vein cut that vein from 102 to 125 feet, where it showed an eight-foot width of well mineralized quartz and schist, which showed good values in panning. The discovery vein, located to the north of the main vein, will be reached with a short cross-cut. Assay equipment is at present being installed and results in drifting during the coming period will be carefully checked.

Crown Reserve Company Will Now be Reorganized

MONTREAL.—At a special general meeting of the Crown Reserve Mining Company, the directors' resolution of recommendation was unanimously carried. The resolution was to sell the property and assets real and personal to a company to be incorporated under the Ontario Companies Act, with the name of the Crown Reserve Consolidated Mines, Ltd. (no personal liability), and capitalized with a share value of three million dollars divided into three million shares of $1.00 each of which two million five hundred thousand shall be ordinary shares and five hundred thousand shall be preference shares and rights therewith.

The preference shares will carry a cumulative participating dividend of eight per cent. from January 1, 1927.

The shares of the new company will be distributed to the shareholders of the Crown Reserve Mining Company at the rate of one of the new for three of the old.

The president stated that the company is still solvent, having liabilities of $19,595.37 and $11,259 on hand in addition to the plant at the mines, which he estimated at $100,000.

JUMBO VEIN IN THE FOLEY

Reports from Mine Centre, Ontario, state the "Jumbo" vein has been encountered at a depth of 850 feet in the Foley Mine there, and is so far pierced to a width of 13 feet without the other wall having been reached. At 400 feet this vein was stated to be six feet wide and to have carried about $16 per ton.

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Hazelton Has Much Drilling Completed

James Hazelton, president Hazelton Porcupine Mines stated that in the past year 2,060 feet of diamond drilling has been completed, consisting of seven holes. These holes indicated a graphite fault in the vein system No. 4 and No. 5. No. 7 hole indicated grey porphyry analysis, of which showed silica content to be 72 per cent.

Mr. Hazelton, in the report, says in part:

"During the past year the results of development work have been highly satisfactory and give us every encouragement to proceed with our development campaign as aggressively as possible. The geological data obtained have been of greatest importance and have proved conclusively that our Nos. 4 and 5 vein system are identical to that of Hollinger, McIntyre and Vipond. The deep-seated ore bodies of the McIntyre lie adjacent to a graphite fault running parallel to the contact between the porphry dykes and the keewatin schists.

"The year's developments have been so favorable that it has been deemed advisible by your directors to acquire as much property adjacent to the then proved contact as possible, therefore, during the year we have increased the company's acreage from 240 acres to 800 acres, all of which has excellent prospects."

PREMIER DIVIDEND ASSURED

VANCOUVER.—It is reliably stated here that without any further discoveries, Premier Gold Mining Co. will be in a position to continue the present dividend for at least the next five years, and very likely a long time beyond this.

OSTROM GOLD MINES

Diamond drilling is progressing favorably on Ostrom Gold Mines, Boston Creek district. The veins drilled show a widening at depth with increased mineralization. It is hoped to start the third thousand feet of drilling the end of this month and the management are confident this amount of drilling will give them the necessary information for purpose of shaft sinking.

DISCOVERIES AT SNAKE LAKE

Staking of mining claims continues in the vicinity of Snake Lake, at the head of Lake Packwash, on the Red Lake water route, and mining men are expressing much interest in the discovery of the calcite lead made by Major Cockburn, of Toronto.

The discovery of the calcite lead is indicative of the presence of gold or silver, or both, but is usually associated with the deposition of silver. Further developments are awaited with interest.

Engineers Head New Exploration Operation

Northern Pontiac Mining Co., a rather interesting prospecting and exploration operation, vouched for by some good men, has made its appearance. J. F. B. Davies, late engineer for Huronian Belt and who has covered every section of Quebec, is one of the principals. Others are J. C. Carroll, also late of Huronian Belt's field staff; Major Bolger, late of Hollinger; W. H. Woods, engineer, and R. Murdie, Timmins. The proposition is well backed by northerners. The company has 3,500 acres of well located ground in three townships, two groups in each township. These properties adjoin or are near properties being worked. These are considered only as a nucleus and it is intended to option or stake ground whenever and wherever a favorable opportunity presents itself. Messrs. Davies, Bolger and Woods have just come out of Chibongamon, Northern Quebec. The new company is capitalized at $100,000.

NEW MAP OF THE YUKON

A geological map of a part of southern Yukon on a scale of four miles to one inch has been published. It includes the Whitehorse mining district and covers an area extending from Windy arm to about eighteen miles north of Whitehorse and about thirty to thirty-five miles east and west of the Whitehorse and Yukon railway. Copies may be had on application to the director, Geological Survey, Ottawa.

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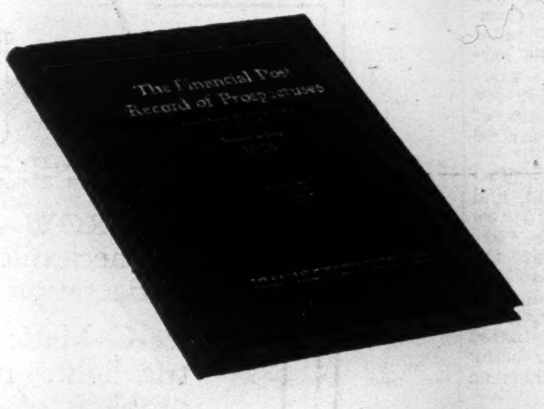

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GREATER PROMISE FOR OIL IN WEST THAN EVER BEFORE

Search for Petroleum Has Been Going on Since 1884

By G. G. OMMANNEY, M.E.I.C., M.I.C.E.

The search for petroleum in Western Canada, first undertaken about 1884, and prosecuted in various sections of the country with quiet persistence or spasmodic outbursts of enthusiastic energy since that date, has to-day reached a phase of greater interest and promise than ever before. Since 1884 over 400 wells have been started at various points in the Prairie Provinces and the Mackenzie River Basin, many of which have not been completed but which accumulatively have added to and confirmed the conviction—now also a certainty—long entertained, that somewhere underlying these vast areas will be discovered petroleum pools of commercial size.

This conviction is not the outcome of uninformed optimism but is based on known geological facts and on results of successful oil exploration in the United States immediately to the south of and almost up to the international boundary line. That the same strata which have contributed such great production in these adjoining areas extend under a vast territory in Canada, from the international boundary to the Arctic circle, is known, and even without the evidence of recent discoveries, he would be a pessimist indeed, who would expect to find these rocks, so prolific in oil, immediately to the south, to be barren and unproductive north of this imaginary boundary line. To-day we have sufficient proof that nature has shown no such discrimination.

The Turner Valley Field

In the Turner Valley, some 35 miles southwest of Calgary, favorable structure, located and drilled some fifteen to twenty years ago, resulted in a small flow of oil. Activities in this field led, in 1914, to an oil boom in that district out of all proportion to results obtained. In 1924, Royalite No. 4 was deepened from 3,175 feet to 3,740 feet, and at that depth a very large flow of gas, under extremely high pressure, was encountered carrying with it crude naphtha of 70° Beaume. So important has this discovery proved that a separating plant was built and a pipe line was constructed to the Imperial Company's refinery at Calgary, 29.5 miles distant, and during 1925, 156,766 barrels of naphtha were sold, the sales averaging 430 barrels a day for 365 days and during the first part of 1926 as high as 579 barrels for 90 days.

This remarkable discovery has stimulated development in that field, and work is now in progress on 15 new wells and many new wells are planned. It is believed that the Royalite discovery indicates the existence of a much larger oil pool than previously supposed lying at greater depth, and it is anticipated that several of the wells now being drilled will tap the productive horizon about July of this year.

MAKING IT EASY TO PAY YOUR WAY ON THE SUMMER VACATION

(Continued from page 15)

bank would negotiate it in francs at the current rate for cheques on London. In each place, of course, the bearer would have to produce evidence of his identity as the rightful bearer of the document. Such cheques would be paid by the London Bank and charged to the Canadian correspondent, which in turn upon advice would charge its customer at the current rate for drafts on London plus its commission. This system was far cheaper than the old method, and was only possible through the arrangements made by Canadian banks with foreign correspondents, so that the commission charged by the banks, and which they had to share with their correspondent was well earned.

This system is still in wide use. It has one great advantage over the newer system of travelers cheques, in that, generally speaking, it may be compared to a letter of introduction. It gives the bearer a better standing. It is an evidence of his reputation with his bankers, when, over their signature, they authorize their correspondent to honor the bearer's cheques up to the amount stated in the letter.

Travelers Cheques

Travelers cheques are a comparatively recent development. They were first introduced by express companies for the use of travelers in the United States, which has no system of branch banks. Later their use was extended to Europe. At that time, before the late war, exchange between most countries ruled around par, and these cheques, drawn in American dollars were made payable in the various countries at fixed rates of exchange, so that the bearer could know definitely in advance just what funds he would receive when he wanted to negotiate one or more. These rates naturally were fairly stiff, so as to cover any ordinary fluctuations in exchange. The bearer bought the cheques at their face value in dollars plus a straight commission of ¾ of 1 per cent, and when negotiated at the fixed rates abroad the charge when figured on a percentage basis, was no doubt high, but not high in reality for the service rendered. Later the banks began to sell travelers cheques on the same terms. For travelers abroad, expecting to use moderate amounts, they are unequalled. They are drawn for moderate amounts, so that the traveler is not under the necessity of carrying large amounts of cash, and this is a convenience; they are self-identifying, as when the purchaser buys them he signs his name on each cheque, or on a letter of identification, in the presence of the officers who have signed the cheques for the bank, and as he must sign again in the presence of the party who negotiates them, the chance of fraud is fairly well eliminated. It has been suggested that the finger prints of the bearer should be taken as an additional protection, and this would undoubtedly prevent crooks from trying any extensive operations in these cheques, as the finger prints would leave a perpetual clue to the fraud.

Also to negotiate them it is not necessary to go to a bank, as hotels in the larger places will generally accept them in payment of accounts.

In view of this easy method of providing funds, it is surprising that greater use is not made of them at home. Men, rather than pay the very moderate fee charged on these travelers cheques, which would insure their being able to obtain funds anywhere, will risk the chance of being able to induce someone to negotiate a cheque for them. They will profess great indignation when a branch manager declines to honor their cheques without the endorsement of someone he knows. It is all bluff. Why should any branch manager be expected to take the risk of negotiating a cheque on an out-of-town point for a stranger, who has neglected to provide himself with the means of obtaining funds where he is not personally known. That is one of the conveniences the banks have organized to supply at reasonable rates, and to ask a bank to take the risk, so that he is not forced to buy the wares the bank is selling is not business. A bank makes no profit cashing such cheques. Even if they are endorsed by someone known to them, the bank is not always safe, for, if the cheque is dishonored, collection from the endorser is always an unpleasant proceeding, and almost invariably creates an enemy for the bank. No one willingly pays for a dead horse.

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ALCOID has none of these disadvantages. It is absolutely non-injurious and non-explosive; has no obnoxious odor; and positively will not corrode. It is a perfect affinity of the lubricant, causing no lubrication troubles; has proven to be more efficient than any other known refrigerant in the domestic field; and—due to the efficiency of ALCOID, Ice-O-Matic costs less than $1.50 per month to operate in the average home and assures carefree refrigerating service.

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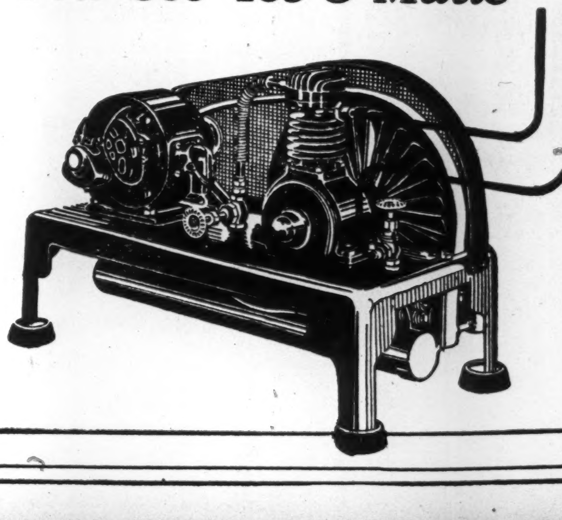

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